

## [LT] Legal Basis of Cinema Support

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The funding of cinema is regulated mainly by two acts, i.e. the Law on Cinema, adopted on 5 March 2002 (see IRIS 2002-3: Extra), and The Rules of the State Budget Assignment and National Cinema Support Programme Fund Allocation for Cinema Projects, approved by the Ministry of Culture on 11 October 2006 ("The Rules"). The Law on Cinema states, that Lithuanian cinema shall be financed from the State budget, municipal budgets, national cinema support programme funds and other financial sources.

The State budget subsidies are allocated for *inter alia* : 1) the production of national films, 2) the co-production of films, 3) the national cinema support programme.

The municipal budget subsidies are allocated for: 1) the production of films, important for the municipality, 2) the support of the state cinema theatres and cinema halls, 3) the support of other municipal cinema programmes.

The Ministry designs the National Cinema Support Programme which is committed to support film production, debut film production, project implementation, film promotion, etc. The National Cinema Support Programme Funds consist of: 1) state budget subsidies; 2) 25 % of the collected fees for the use of audio and video works for personal purposes (e.g. empty data storage fee); 3) fee for data provision from the Film Registry.

The Rules establish the order of cinema project fund allocation, submission and evaluation of applications and the accountability of fund spending. The Rules allow to apply for the partial financing of for instance: 1) a project for the preparatory work of a film production, 2) a serial film production project, 3) a feature, documentary, animated national and co-production film project. The tender for the partial financing of cinema projects is invited once a year at the beginning of the 4th quarter. Applications for the financing of film distribution projects are accepted continuously. Natural and legal persons can participate in the tender, if their main activity is film production, film education, film distribution, collection of cinema heritage or promotion of cinematography art.

The Cinema Council, a collegial consultancy institution acting under the Ministry, considers the projects for partial financing. It gives points from 0 to 5 in accordance with the project's cultural, national and humanistic importance, the

relevance of the project's topic, the substantiation and accuracy of the project's estimated costs, skills and experience of the main project's producers. Priority is also given to national films, produced on co-production principals, as well as to those projects, which already have or tend to have additional financing from EU programmes supporting cinematography and audio-visual work. The Cinema Council submits the conclusions to the Ministry which allocates partial financing for the selected projects.

The allocation of the funds is executed by an agreement, which is signed by the Ministry and the recipient. The agreement also foresees the procedure of returning of the funds to the Ministry in case the project manager fails to implement the project.

***LIETUVOS RESPUBLIKOS KINO ĮSTATYMAS 2002 m. kovo 5 d. Nr. IX-752***

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*Law on Cinema*

***LIETUVOS RESPUBLIKOS KULTŪROS MINISTRO ĮSAKYMAS DĖL LIETUVOS RESPUBLIKOS VALSTYBĖS BIUDŽETO ASIGNAVIMŲ IR NACIONALINIO KINO RĖMIMO PROGRAMOS LĖŠŲ SKYRIMO KINO PROJEKTAMS TAISYKLIŲ, PARAIŠKOS, SĄMATŲ, SUTARTIES, ATASKAITOS FORMŲ PATVIRTINIMO 2006 m. lapkričio 10 d. Nr. IV-615***

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*Rules of State Budget Assignment and National Cinema Support Programme Fund Allocation for Cinema Projects*

