

# [BG] Amendments to the Film Industry Act

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With the adoption of the Film Industry Act (“Act”) in 2003, the Executive Agency “National Film Centre” (“NFC”) was established, whose activities conform with the requirements of the EU programmes (in the first place “Media Plus”, in which Bulgaria has been a participant since July 2002) and of similar institutions of the European countries (see IRIS 2004-6/103).

The enforcement of the Act has stimulated the Bulgarian film-producing industry and has increased the number of international co-productions by attracting foreign financial resources to Bulgaria. At the same time, some functional inadequacies have appeared.

In June 2007, a bill for the amendment of the Act was introduced, which lays the basis for the establishment of three national art commissions according to the type of cinema (feature, documentary and animation films) in the place of the former commission to the NFC. Considering the widening co-operation with film producers from other European countries, it is provided that the resources assigned particularly to international co-productions shall increase from 10 to 20 percent of the common funds for film production.

For the first time, the bill establishes a quota for the creation of Bulgarian films relating to national activities and celebrations of events and prominent individuals (up to 5 percent, according to the proposition of the Minister for Culture).

In order to secure a better protection of viewers’ rights, it is provided that the foreign films in the Republic of Bulgaria shall be broadcast and shown dubbed into Bulgarian.

With respect to the European Convention on Cinematographic Coproduction, which Bulgaria has ratified, the financial participation of a Bulgarian producer will be at least 20 percent of the film budget in the case of bilateral co-productions and at least 10 percent in the case of trilateral and multilateral co-productions with European partners.

With the bill, a legal possibility is created for entities established in compliance with the legislation of a member state of the EU, or of another state from the EEA and Switzerland, to develop activities and receive financial aid according to the said Act.

The bill requires that the NFC shall keep a State aid register, and shall present to the Minister for Finance an annual report regarding the subsidies to the film industry on the basis of the reported data from the previous year. An obligation is also established for the persons who receive State aid to submit, before the payment of the last installment, a financial account for the expenses incurred verified by an independent financial auditor. A legal possibility is created so that at least 20 percent of the film budget to be spent in other member states of the European Union.

The bill also defines the meaning of the legal terms “cinema hall” and “low-budget film”.

The Act was published in the State Gazette, No. 98 dated 27 November 2007 and has been effective since 1 January 2008.

**ЗАКОН ЗА ФИЛМОВАТА ИНДУСТРИЯ** Обн. ДВ. бр.105 от 2 Декември 2003г., изм. ДВ. бр.28 от 1 Април 2005г., изм. ДВ. бр.94 от 25 Ноември 2005г., изм. ДВ. бр.105 от 29 Декември 2005г., изм. ДВ. бр.30 от 11 Април 2006г., изм. ДВ. бр.34 от 25 Април 2006г., изм. ДВ. бр.98 от 27 Ноември 2007г.

<http://www.filmmakersbg.org/zakon-kino-bg.htm>

*Film Industry Act (version of 27 November 2007)*

