

## [SI] Draft Act on the Slovenian Film Centre

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The Slovenian Ministry of Culture released a draft Act on the Slovenian Film Centre ("Act") for public discussion early in February 2010.

The regulation is expected to solve the crisis in the Slovenian cinematography sector which culminated in a series of irregularities in the Slovenian Film Fund in 2007. These were revealed by civil society and State institutions such as the Budget Supervision Office, the Commission for the Prevention of Corruption and finally in 2009 by a revision of the Court of Audit. The Act on Public Funds which was amended in August 2008 demands several minimum standards for the functionality of such funds. As the Slovenian Film Fund does not conform to these standards it must be revised to achieve an acceptable form within a two-year period, ending August 2010.

The proposed draft Act contains 32 Articles and its basic aim is that the new film institution should be more flexible. The essential change is that the grant for film productions is not an investment any longer but a subsidy, so the complete income from the distribution accrues to the producer. The aim is to strengthen the producers' business infrastructure to boost Slovenian film production. The core of the new regulation is to provide for a sustainable future for the Slovenian film sector, and not just to improve the current conditions.

The Act recognises independent producers as core partners. This shall motivate producers to enter into international co-productions and to be more active in applications for European programmes. The Act includes an automatic grant in matching funds in case of European funding. The limitation for financing is set at 50% of the total production costs, except for low budget productions and youth and children's films where the limitation is set at 80%.

Provision is made for the participation of TV broadcasters in the financing scheme. The public service broadcasters will contribute 2.5% of their subscription income, while the commercial broadcasters' contribution is 2% of their income generated from advertising and TV sales. That should result in a considerable increase in the budget for Slovenian cinematography.

With regard to the decision-making process, more weight is given to the professional community in order to neutralise political influence. Two members of the Supervisory Board will be chosen by representative professional associations,



two by TV broadcasters, two by the Ministry of Culture and one by the Ministry of Finance. However, the managing director is still appointed by the Government at the suggestion of the Supervisory Board, as determined in the Act on Public Funds. A new provision is that in the case of inability to appoint a managing director (as has happened in the past three years) the acting director can be chosen from among experts in the industry and is no longer limited to the members of Supervisory Board. The acting director can be appointed for a one-year period.

The most important point was the formal status as the Court of Audit demanded a proper form that matches legal standards. One suggestion was that the institution should become a part of the Ministry of Culture. That idea was strongly rejected both by civil society and by the Ministry itself. So the Slovenian Film Fund will be transferred to the Slovenian Film Centre and remain a public fund.

The adoption of the Act is expected before August after a one-month public debate and procedure in the National Assembly.

## Predlogi predpisov

http://www.mk.gov.si/si/zakonodaja/predlogi\_predpisov/

Documents of the Ministry of Culture

