

[MK] New Law on Film Activities Fostering Film Productions in Macedonia

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*Borce Manevski
Independent Media Consultant*

The Закон за филмска дејност (Act on Film Activities - LFA) entered into force on 1 January 2014. It aims to support and intensify the film activities in the country and to create positive conditions for further development of the film infrastructure.

The Agency for Film will be the main State body, which will directly support the film activities and will work in accordance with a four-year Strategy for Development of Film Activities in the Republic of Macedonia. The Head of the Agency as well as the members of the Managing Board will be directly appointed by the national Government.

The Agency will have an obligation to fund various projects that are of national interest for the country. According to Articles 11 and 12 LFA, the Agency for Film will be primarily funded from the general State budget, but the text of the law does not foresee a specific figure or even an approximate amount of how much of State funds will flow through the Agency's budget. On the other hand, another mechanism should provide additional funding:

1. licensed TV broadcasters will be obliged to pay 1.1% of their gross income for the previous year to the Agency for Film;
2. cable-TV operators will pay likewise 2.5 %of their gross income;
3. internet service providers likewise 2.5%;
4. legal entities organising gambling activities likewise 1.3%;
5. legal entities publicly showing films likewise 5%;
6. legal entities distributing, lending, or selling films likewise 1.3%.

The non-governmental organisation Media Development Centre (MDC) suggests a reduction in broadcasters' financial obligations: "We suggest to the Government not to impose any new taxes on the electronic media and to fund the Film Agency from the State budget." MDC fears that "due to the previous experiences with the Government's advertising, this could deepen the Government's control over the

media in Macedonia". The political advertising was also noted as a concern in the EU Country's Progress Report for 2013: "There are continued concerns about government advertising spending, which is claimed by many to be directed only towards pro-government media, giving them a significant financial advantage." Also, the text of the law does not make a distinction between the different types of TV broadcasters, so according to the representatives from MDC, those TV channels that do not broadcast any film programming, like music, news or other non-film genre channels, should be excluded from the obligation.

The Association of Private Electronic Media of Macedonia (ZPMM) is concerned that the law could overburden the media companies, taking into account the still existing financial obligations: "The fees we pay to the collective rights management associations together with the obligation to pay part of our annual gross income to the Agency for Film will reach more than 5 or 6 per cent, if not even more, of our total gross income.". ZPMM announced that commercial broadcasters are considering an appeal against the act in the Constitutional Court.

Закон за филмска дејност, Службен весник на РМ, бр. 82 од 05.06.2013 година

<http://www.kultura.gov.mk/index.php/legislativa/2011-03-04-10-39-07/986-zakon-za-filmska-dejnost>

Act on Film Activities, Official Gazette no. 82, 5 June 2013

The former Yugoslav Republic of Macedonia 2013 Progress Report, European Commission, SWD(2013) 413 final, 16 October 2013

http://ec.europa.eu/enlargement/pdf/key_documents/2013/package/mk_rapport_2013.pdf

ЗАКОНОТ ЗА ФИЛМСКА ДЕЈНОСТ ПРЕД УСТАВЕН СУД

<http://telma.com.mk/index.php?task=content&cat=1&rub=6&item=31874>

The reaction of ZPMM on the Act on Film Activities

