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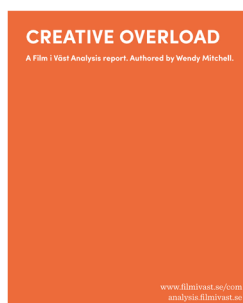
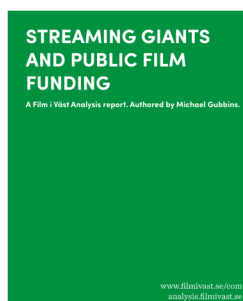
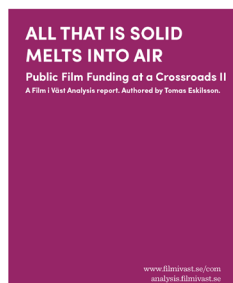
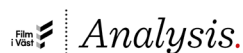
# *Analysis.*

## **PUBLIC FILM FUNDING AT A CROSSROADS II**

Focus group: Germany

Authored by Manfred Schmidt

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## ABOUT PUBLIC FILM FUNDING AT A CROSSROADS

*All that is solid melts into air* – *Public Film Funding at A Crossroads II* was launched in Venice in August 2022. Along with the first report *Public Film Funding at A Crossroads* it can be downloaded at [www.analysis.filmivast.se](http://www.analysis.filmivast.se). Here you also find the ten territorial reports, executive summaries, with strong links to the main topics. There you also find **Michael Gubbin's** report *Streaming Giants and Public Film Funding* and **Wendy Mitchell's** study *Creative Overload*.

Appendix 1	Topics for the interviews
Appendix 2	Survey to filmagencies
Appendix 3	Status of Article 13's transformation across Europe
Appendix 4	Presentation of the experts

### Focus group

Eastern Europe (Assistant Professor **Petar Mitric**, Producer Joanna Szymanska)

French speaking Europe (Senior Consultant **Vincent Leclercq**, Senior Consultant Philippe Reynaert)

German speaking Europe (Senior Consultant **Manfred Schmidt**)

The Nordics (**Katarina Krave**)

UK (**Bengt Toll**, Associate Professor **Lydia Papadimitriou**)

### Close-up

Flanders (Producer **Ilse Schooneknaep**)

Italy (Senior Consultant **Rickard Olsson**)

Netherlands (Senior Consultant **Doreen Boonekamp**)

Portugal (Visiting Professor **Nuno Fonseca**)

Spain (Journalist **Irene Jiménez**)

French speaking Belgium (Senior Consultant **Philippe Reynaert**)

## GERMANY

### ***Final report on the update "Public Film Funding at a Crossroads"***

The free interviews were conducted with three producers, a film promoter, a sales, a promotion expert and a politician. They are all well-connected, nationally and internationally experienced industry professionals. A joint online discussion was not feasible. The discussions revealed that there is currently no one overriding topic. The discussion participants are mainly going about their everyday business, trying to finance and realize their projects, etc.

However, all participants in the conversation referred to the extensive reform of film funding announced by the State Minister for Culture and Media Claudia Roth. The problem here is that although the key points of the reform have been named, there are as yet no implementation proposals that can and must be dealt with. Such implementation proposals will probably not be available until the end of 2023.

The participants in the discussion therefore agreed that it is too early to enter into a concrete discussion and exchange of opinions. For this reason, fewer ideas and proposals were expressed, but rather hopes and fears.

For the further explanations, it is important to remember that the Minister of State is only responsible for film funding at the federal level; the structuring of regional film funding is a matter for the individual federal states, which are independent in their decisions.

The Minister of State's key points can be summarized as follows:

1. Modernization of development support, which allows better development and also the failure, i.e. the termination of projects, without the producer suffering any financial or content-related disadvantages as a result.



Senior Consultant **Manfred Schmidt**. 1969–81 Berlin "Maxim Gorki" Theatre. 1981–88 free-lance author and dramatic adviser. 1988–90 script analyst and author DEFA studios. 1990–92 deputy chief editor. 1992–98 deputy programme director for culture and science Broadcaster MDR. 1998–2016 CEO Mitteldeutsche Medienförderung. Lecturer and consultant. Member Artistic Board SCRIPTAST, Expert Committee IDM Film Fund South Tyrol and Selection Committee Vienna Film Fund.

2. Documentaries, short films, debut films and "artistic" films should receive their own selective funding with their own juries and should not have to align themselves with market logic.

3. Reference funding is intended to reward artistic and commercial success better and earlier.

The existing automatic funding models German Film Promotion Fund and German Motion Picture Fund are to be modernized and made more accessible.

A genuine tax refund system, which does not exist as yet, is to be developed for German and international productions. An investment obligation for streaming providers is also to be examined.

4. The FFA is to be expanded into a film agency that can take on all the tasks of the various federal grants and is also responsible for the cultural grants that are now awarded by Ms. Roth's ministry.

5. The funding instruments at federal and state level are to be more closely interlinked. The structure between federal and state institutions is to be streamlined. A minimum funding quota is to be introduced and the number of grants involved per project reduced

The participation of public broadcasters in film promotion is to be expanded, while at the same time they must not be put at a disadvantage compared to streaming platforms in terms of exploitation windows.

6. The visibility of German film is to be increased. To this end, distributors are to be strengthened and, blocking periods for cinema are to be retained and flexible regulations subsequently made possible. Cinema funding is to be more automated and simplified.

7. Diversity, gender equity, social standards, sustainability and green shooting are to be strengthened.

It is easy to see that this extensive and ambitious catalog of measures is very general and that deeper debates will only be possible when concrete steps for implementation are published.

The talks revealed that this reform package is welcomed by all the interlocutors and seen as a step in the right direction. There is agreement that the system of film subsidies in Germany must be improved and adapted to today's conditions.

Overall, the panelists welcome the path of supporting fewer films with higher funding through less involved funding. Overall, they welcome the consideration of automating the awarding of production funding by the federal government, they welcome a true tax refund model and an investment obligation for streaming services, the strengthening of development funding and a separate funding for newcomers.

Nevertheless, there are also a number of questions and uncertainties that cannot be answered at the moment.

I will address the most frequently mentioned ones.

What will the modernization of the German Federal Film Fund and the German Motion Picture Fund look like? Will these funds actually become more easily accessible to independent smaller companies as well?

What will a tax incentive model look like? What percentage tax refund will there be? Will this increase international location competition? Will there have to be mutual recognition of regional effects? Could this result in locational disadvantages?

Providing regional effects is counterproductive from a green shooting and sustainability perspective.

Is an investment obligation for streaming platforms legally possible? Will it only go to larger companies for formatted programs, but contribute nothing to the development of the cinema and arthouse sector?

How will the FFA be expanded into a film agency. The FFA is not financed from taxpayers' money, but from membership fees paid by the industry. However, the federal government's film subsidy, which is to be integrated, is financed from tax revenues. What will the decision-making bodies of this agency look like?

What should a stronger interlocking of federal funding and regional funding look like? Providing fewer films with higher sums through less funding is welcomed. However, if the individual location interests of the individual federal states are called into question as a result, there is potential for conflict.

The public TV stations award extensive contracts, but are hardly interested in supporting theatrical film. How can this be improved. (one example would be the Austrian film-television agreement).

Should there be automatic distribution support, partly because the cinema market is recovering very slowly?

There is a consensus that decision-making processes absolutely must be accelerated and bureaucratic obstacles reduced in order to keep funding systems competitive. At the same time, there are many additional requirements regarding diversity, gender equality and social standards. How can the two aspects be reconciled?

### **Conclusion:**

The proposals of the Minister of State for Culture and Media to reform film funding are welcomed by the industry. But only when details on implementation are available is a productive and truly far-reaching discussion meaningful.

**Manfred Schmidt**  
**June-August 2023**