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Master thesis:

**How Eurimages objectives
are fulfilled from the action of
co-producing Serbian movies?**

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Résumé de mémoire
***How Eurimages objectives
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Le thème de mon mémoire est *Comment les objectifs d'Eurimages sont accomplis par l'action de co-produire les films Serbe?*

Tout le long de mes études j'ai devenu intéressée par les films Serbes, en cherchant de voir beaucoup, mais en observant tout de suite l'équipe artistique et technique du certain film. Alors, j'ai observé le fait que le Fond Eurimages a soutenu plusieurs fois la cinématographie Serbe dans les domaine de co-production et distribution.

Le but de mon mémoire est de créer une présentation et analyse de l'industrie cinématographique de Serbie, mais non pas l'isoler dans les Balkans, mais essayer de le mettre dans le contexte des autres pays voisinés et d'ajouter des informations qui sont dans une relation continue avec l'Europe et ce monde globalisé. Un autre objectif plus précis qui a comme centre la situation de l'industrie de film dans les Balkans a été présenté au fur et a la mesure de l'analyse de la situation des politiques culturelles dans ce domaine dans la Serbie et les pays du sud de l'Europe. Un objectif très important qui a été atteint par ce mémoire est la démonstration que l'industrie du film Serbe est un élément clé du développement régional de ce marché.

Une attention continue pour les procès de l'eupéanisation et globalisation a été soulignée ayant en vue que ce type de marché a comme caractéristique sa dualité : ses produits a en même temps une valeur **culturelle**, l'œuvre d'art, et une valeur **économique**, étant une domaine artistique qui est concentrée aussi sur le succès commercial.

Les films Serbes ont eu toujours un impact non seulement pour le public Serbe, mais aussi sur le niveau international, ayant une caractéristique spéciale et en présentant des valeurs importants du marché du film. Leurs présence et les prix reconnus qui ont gagné aux beaucoup festivals valeureux, ont montré la qualité et la bonne réalisation de ses contenus, étant aussi une marque particulière dans l'histoire de la cinématographie mondiale.

Dans ce contexte, l'hypothèse qu'on doit justifier est que l'aide financière donnée par L'Eurimages est un effet d'aide bien destinée aux co-productions et les systèmes de distribution pour créer des produits valeureux. On a pu démontrer le succès de ces projets artistiques par les articles des journaux et par leurs participations à des nationaux et internationaux festivals célèbres. Donc, le Fond européen Eurimages a réussi d'accomplir ces objectifs.

Si le **premier chapitre**, l'Introduction a eu le but de nous introduire dans la situation particulière du marché du film dans l'Europe du Sud-est et les crises d'aujourd'hui de l'industrie, le **deuxième chapitre** est concentré sur la présentation et l'analyse du programme et des réglementations et articles diverses du Fond Eurimages. Dans ce chapitre on a questionné l'administration du Fond aussi comme les compagnies Serbes qui ont été déléguées pour accomplir les documents d'application à ce Fond. Le seul commentaire négatif concernant la procédure d'application est le fait que le Fond demande beaucoup de papiers et autres documents, mais en général les délégués pour l'aide à la co-production des films ont eu une coopération et dialogue fertile avec les autres membres de l'équipe et avec l'administration du Fond.

On a continué par un **troisième chapitre** qui a été dédié aux politiques culturelles de la Serbie tout en liaison avec les politiques culturelles de l'Europe pour pouvoir comprendre mieux les mécanismes qui fonctionnent et celles qui ne marchent pas, pour identifier les problèmes et essayer de trouver une solution efficace.

Généralement, la Serbie a quelques choses en commun avec les autres pays dans le Balkans (Croatie, Macédoine, Roumanie): l'absence des réglementations juridiques claires qui existent pour tout le secteur audiovisuel, difficultés en établir un mécanisme soutenable des productions nationales des films, l'infrastructure technique insuffisante, le financement budgétaire des activités audiovisuelles, le marché inefficace du marché national du film, les réseaux détruites des cinémas nationaux etc. Mais tous les pays de la région travaillent pour la recréation des réseaux nationaux pour aider et développer adéquatement leurs industries du film.

Mais en dépit de tous ces problèmes, la Serbie a réussi à avoir une tradition dans sa cinématographie, qui a existé aussi dans les années terribles d'instabilité politique et sociale. Quelques films qui sont présentés dans ce mémoire, par exemple *Klopka/ The Trap* ou *Bure Baruta/Cabaret Balkan*, sont comme des miroirs qui montrent et transforment dans le même temps une réalité triste.

Le quatrième chapitre du mémoire décrit comment exactement le Fond Eurimages a aidé à la réalisation et distribution des films Serbes et on continue avec **le cinquième chapitre** qui présentent et analysent les films qui ont été déjà finis, et aussi ceux qui sont dans une étape de préparation ou de postproduction. Le chapitre suivant, **le sixième**, est dédié à l'effet produit par les films introduits dans le marché du film, national comme international. **Le dernier chapitre** essaie de tracer quelques lignes de développement dans le futur du marché Serbe, en relation continue avec le développement européen.

En conclusion, le Fond Eurimages a réussi à être un vrai aide pour la production des films Serbes, étant aussi un moyen important d'établir un dialogue entre les professionnels dans ce domaine pour l'échange de l'expérience et pour l'adaptation commune des perspectives différentes.

Abstract

The **aim** of this thesis was to create an overview of film industry in Serbia, latest issues and trends, not to present the situation isolated only in the Balkans, but to gather the facts in continuous relation with what is happening in the Europe and in this globalised world and to analyse and describe it in the Balkan context (as part of the general SEE situation) as well as in the way it figures and participates (has part and plays role) in the contemporary EU situation and continuous strengthening europeanisation and globalisation processes.

Serbian movies have permanently generated an impact not only to Serbian audience, but also to an international one, having a special touch and presenting important values in the film market. Their presence and important prizes at many and trustworthy international film festivals proved their value and the ability to remain a particular mark in the film history. In this context, the **hypothesis** to be proven that Eurimages Fund gave financial aid to Serbian co-production and the money were well spent. We could follow the projects success through chronicles and reviews, participation to famous national and international festivals. Therefore, through the process of gathering together important movies released with the help of Eurimages support we can conclude that this fund managed to attain its objectives. These objectives are not only cultural, but also economical, trying to give support for a further development of the Serbian film industry, in our case.

I. Introduction

The **aim** of this thesis is to create an overview for film industry in Serbia, latest issues and trends, not to present the situation isolated only in the Balkans, but to gather the facts in continuous relation with what is happening in the Europe and in this globalized world and to analyse and present it in the Balkan context (as part of the general SEE situation) as well as in the way it figures and participates (has part and plays role) in the contemporary EU situation and continuous strengthening europeanisation and globalisation processes.

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What is to see in the Serbian movies apart from the joy of life, dark humor and Balkan specificities? These movies have one other additional meaning: the power to survive difficult periods in a turbulent history and to clean and heal a society that is said to be doomed and therefore to manage to survive in difficult periods.

The film industry in Serbia, but also elsewhere, is very much connected with economic, social and political situations that must be handled not only by the politicians but also by the whole population. Thus, the following pages represent an attempt to draw up a concise presentation about current situation and crises in today's SEE countries, factors

affecting the development of film industry, as well as the specific situation of the film industry in Serbia. Our aim is to show what different factors are contributing to development or to stagnation in one cultural field, referring exclusively to film industry.

Crises in today's SEE

South Eastern Europe is a region characterized by evolution in each and every level of human life. But the developments have not come without certain accompanying risks for the societies of the region and their citizens, such as, noted by van Meurs¹:

“1. [t]he ethnic conflicts and the lack of state consolidation in the region with their consequences for regional stability;
2. the weakness and instability of the political regimes;
3. the deficits in the development of the civil society; and, last but not least,
4. mismanagement of the economic transformation, which on the one hand, starts at a level much lower than in Eastern and Central Europe and shows many elements of a developmental rather than a transformation process, and is, on the other hand, exceedingly misdirected by widespread corruption and criminalization.”

The reasons underlying the difficult conditions in the cultural environment in the SEE region can be attributed to several factors. Dragičević-Šešić and Dragojević note these as: crisis in public policies and in the public sector; lack of communication flow between the three sectors (public/governmental, commercial and civil) which comes as a consequence of a poorly developed civil society and private sector; crisis in institutions and their social role; and crisis of participation in the local market.² One needs to stress that each of these crises has also had repercussions on creative industries in general and the film industry, in particular.

¹ van Meurs 2001: 20

² Dragičević-Šešić and Dragojević 2005: 28-29

We are still in the process of transition, away from the previous regimes; but traces of the former political concepts can still influence what happens today. The process of dissolution of the political model of communism seriously shook not only the SEE's political and economic spheres, but also produced problems in the cultural field of this region.

In the European centers such as Vienna, London, and Manchester, film industry is being promoted by policy makers as a tool and an example for regeneration and development. In south-eastern Europe this is not the case. There are several examples that show how government as well as private investment in culture and cultural infrastructure is increasingly being neglected. In order to see some of these developments in detail let us take a look at what are the relations between the state, the market and the film industry in south-eastern Europe.

Laws on cinematography in the region are based not on the need of the national market but on the foreign model. The clear example is the situation in Serbia. In the article *Mapping Cultural Cooperation in SEE*, Milena Dragičević-Šešić states: “The law on cinema in Serbia was drafted with French expertise and the creation recently of a National Serb Cinema Centre is entirely due to this influence. The problem of foreign expertise appeared when missing links became apparent. When the necessary time was not taken for a process to mature and all its components to become accomplished. We have numerous examples of using foreign expertise for completely un-adapted situations, but also of potentially good expertise that had to be implemented in too short a time or with missing data. (...) Inspiration for cultural policy and legislation can be reliable, but has to take the necessary time and allow reciprocal understanding and questioning. For the time being this was more of an approach for cultural operators, but not for the cultural policy levels (nationally and internationally).”

As stated by Milena Dragičević-Šešić, there is a current need for the policy makers to upgrade and to take into consideration the specific issues of Serbia, not only to copy the good examples that would work for a developed country. This dialogue between the

public and the private sector will contribute to the further development not only of the film industry, but also of the other cultural fields.

We need a different approach to cultural management, and a perception that investing, with either public or private funding, in creative industries is worthwhile. Different aspects of cultural production need different types of financing and the change in culture has already taken place. Some analysts stress that we have to approach the problems of cultural policies in an intersectorial way³ which understands linking the cultural sector with other sectors such as economic policy sector, or urban planning.

The film industry in SEE region

The film industry in SEE has a long history – former state-owned companies have created important titles, as well as co-productions.

With the end of communism, production and distribution companies collapsed and only some parts of them have been saved. New companies emerged, and the foreign companies (looking for cheap labor and nice scenery) have invested in the region.

Distribution has become a serious issue, because “with the disappearance of state cinematography chains and “cultural centers” there was a drastic cutback in the number of cinemas, and this accounted for the lack of respectable distribution channels for film production (either domestic or foreign) within the countries, as well as abroad”⁴. The emergence and the quick evolution of multiplexes, DVDs, and cable TV, have resulted in even more cinemas being closed.

Since film production is highly dependent on primarily state subsidy, the chief structural problems surrounding the film industry manifest themselves mainly as the problem of

³ Dragojević and Dragičević-Šešić 2005

⁴ Primorac 2004: 67

funding. New models are in the making – a large number of films are now made as co-productions, mostly with regional and Eurimages partners.

Current situation in some SEE countries in film industry

Before we will focus on the film industry in Serbia, we need to be aware of what is happening in the region. For example, Bulgaria has a centralized system moving towards decentralization. After Bulgaria became EU Member in 2007, the main objective of its cultural policy is European oriented: to develop a film industry that is capable of gaining its own share of the domestic market, to gradually meet all-European criteria and to integrate into the European structures and markets for audio-visual products. Furthermore, state policy priorities concerning film industry are generally expressed: the right of the public access to various forms of film creativity; protection of the rights and interests of audience; support for young creators; promotion of Bulgarian cinema throughout the country and abroad; and setting good conditions for shooting foreign productions in Bulgaria.

On the other hand, the other neighbour of Serbia, Croatia, has a centralized system in the culture field. The objectives and priorities are not clearly defined. Only on the state level, cultural creativity (including also the actors in film industry) is supported in three ways: □support from the budget through annual public competitions, all basic cultural activities and supplementary ones; □payment of retirement and health contributions for independent artists; and □ad hoc support from the Ministry's reserve of budgetary funds for projects.

In Romania, another EU Member, one can find a centralized system in the culture field, but priorities in the movie industry are clearly stated by the National Centre for Cinematography, the institution that has also drawn up a strategy: □development of the film industry; □development and diversification of the national film market; □promotion of start-ups; □promotion of national films; □international co-operation and participation in the specialized European structures and programmes; and □promotion and

preservation of the national film heritage. Even if we can observe these clear and focused objectives, in reality, these are hardly accomplished and many disputes arise around the competitions created by the National Center for Cinematography.

Serbia, on the other hand, has a decentralized system, but nowhere in cultural policy of Serbia there are clearly stated the priorities of the film industry. This is partly because new Film Law will soon be passed, as the current law on cinematography is being revised. The film industry is mentioned only in the general objectives of the Ministry of Culture.

A specific issue concerning film industry is the issue of production companies and the status of state vs. private ownership. The question of Boyana film studios (Bulgaria), former state-owned is still a hot issue because of privatization bidding by Nu Image, USA. The privatization of Jadran film Croatia, former so-called 'Balkan Hollywood/Cinecittá', was mismanaged so that today the company is far from its glory. In Romania, Buftea studios from 1998 are owned by MediaPro Pictures – and are oriented more on TV production.

Another example is in Albania, in the period 1991-2000, where the number of cinemas dropped from 65 to 25 cinemas. Between 1999 and 2006, in Bulgaria, the number of cinemas dropped from 191 to 66 (National Statistical Institute of Bulgaria (2007)). In the same period in Romania the number of cinemas and film installations for feature films dropped from 595 to 152 (National Institute of Statistics, 2005). One positive example is that in Serbia in the last couple of years the number of cinemas started to grow (2001-2004) from 149 to 152 cinemas.⁵

In short, Eurimages is Council of Europe's fund for cinematography. Bulgaria was the first SEE country to become member of Eurimages on 1 January 1993, then Romania followed on 29 May 1998, Croatia on 1 January 2003, FYROM on 1 May 2003, Bosnia

⁵ Internet source: <http://www.culturalpolicies.net/download/Serbia.pdf>

and Herzegovina and Serbia joined on 1 January 2005. Albania, Moldova and Montenegro are still not members.⁶

Attitudes of cultural workers (as well as the general public) towards the film industry in the region are gradually changing, and only recently with the introduction of foreign cooperation and investments did people begin to realize that film could bring profit.

These changes have already happened in some countries of SEE, but in some this is still a pertinent issue. The system still needs to be reshuffled, and cultural workers themselves need to lobby for better legislative tools so as to give more scope for producers to find resources from other (international) funds, and sponsors who would be treated as partners. Respondents stressed that the role of the state should be reduced, and that a creation of 'bodies that would be at 'arm's-length' from the ministry of culture, such as a film fund/film centre, are necessary. Each country needs to find a specific solution for itself and not merely copy the existing models (for example, a mistake made in Romania in the past, which copied the French system).

The distribution of domestic films should be stimulated since the current situation creates situations in which films are produced for their own sake, with producers giving little thought to audiences and what they might like to see. Until now, the cultural policies have focused too much on domestic production, while neglecting distribution and presentation – these parts of the film industry should be taken into account as well. One has to take care of film culture as a whole, taking into account the need for special venues that show film classics, and 'other', non-Hollywood cinema, keeping in use some traditional cinemas, and so on.

When considering other public policies that would be helpful, respondents called for a system of loans for film production and buying equipment. This would help domestic companies to provide film services for foreign companies, as well as cooperation with

⁶ Internet source: http://www.coe.int/t/dg/eurimages/default_en.asp 20 May 2007

other countries (especially regional co-productions), other companies, and so on. Better training would also boost the industry, interviewees believed. People in the industry need practical education, not only the film crew but also persons in management, funding and production skills.

The position of cultural workers is very insecure as the core funding for their films comes from the state and in irregular installments. This irregular cash flow creates a peculiar instability which makes some production firms diversify their activities – they produce commercials, run festivals, become event managers, all activities that may have a better chance of attracting sponsorship. Of course, their counterparts in the ‘West’ experience similar financial insecurity, but it is a new experience in the region and the alternative ways of bringing in cash are also a novelty.

Factors affecting the development of film industry

A short overview

1. **New information and communications technologies** are still not widely used in the SEE region, but it is rapidly changing.

One sign of the pace of change is in the statistics on internet use as shown in Table 1. The last column – user growth – tells its own story.

Table 1: The growth of internet use in Europe and in south-eastern Europe

		Population (2006 est.)	Internet users, latest data	% Population (penetration of service)	User growth (2000-2006)
1	Europe*	810,000,000	315,000,000	39.0%	200%
2	Albania	3,087,159	188,000	6.1%	7,420%
3	Bosnia and Herzegovina	4,672,165	806,400	17.3%	11,420%
4	Moldova	3,727,246	550,000	14.8%	2,100%
5	Serbia	10,087,181	1,517,000	14.2%	280%
6	Bulgaria	7,673,215	2,200,000	28.5%	412%
7	Croatia	4,468,760	1,472,400	32.9%	636%
8	Macedonia	2,056,894	392,671	19.1%	1,209%
9	Montenegro	665,734	117,000	14.8%	2,100%
10	Romania	21,154,226	4,940,000	23.4%	518%

The Table is based on the data provided by the Inter World Stats in April 2007.⁷

2. Intellectual property rights and the offence of piracy are both deeply connected to the use of new technologies. In this context one could mention the data on IT software piracy as noted in the Business Software Alliance (BSA) study for the year 2006. Percentages of IT software piracy infringement were as follows:

Croatia 57 per cent,

Romania 72 per cent,

Macedonia 70 per cent,

Bosnia and Herzegovina 69 per cent,

Albania 76 per cent

Serbia (and Montenegro) 81 per cent.

The infringement of IPR is thus rather high, although this has been changing in a positive way in the last few years, respondents note. In this context where the IPR and authors' rights are not high on the list of public priorities, it was interesting to find out whether cultural workers knew about or used alternative models of intellectual property contracts. Unfortunately, most of the cultural workers were not aware of Creative Commons (CC)

⁷ Internet source: <http://www.internetworldstats.com/>

licenses or other similar licenses. The promotion of these types of licenses is important as they offer alternative types of exchange and production of creative work.

If the use of information and communication technology continues to grow in the region at the same rate as it has been doing recently, the adequate education, training and increased awareness accompanies will grow, so that IPR becomes respected and alternative licenses are used.

3. Rapid economic growth has been concentrated mainly in capital cities, which has resulted in the uneven development that is only now starting to develop towards decentralization.

There are two levels of centralization in process as far as culture and creative industries are concerned. Historically state funding has been centralized in the region. And now private investment, in companies of all kinds, is drawn to the capital cities of the region. Not only are the creative industries businesses concentrated in the capitals of the region, but so is the cultural infrastructure, such as cinemas, theatres, concert halls, clubs, and so on.

Reversing this trend is a pressing issue for all cultural policies in the region. The question is – what type of decentralization? Are local bodies prepared to carry out the roles that would be required of them? And for some ministries the question would be ‘why?’ – as Delia Mucica stresses: “public money spending/allocation is both an extremely important tool for shaping policies and implementing strategies, as well as being a very efficient instrument of administrative and political control”⁸. In this context, what is important in the region is that groups that are organized around grass-roots cultural initiatives – usually it is NGOs that are the strongest advocates, as well as actors, of decentralization – were willing to make decentralization happen. Groups of this kind also foster regional cultural cooperation and offer the strongest critique of established cultural institutions.

⁸ Delia Mucica 2005: 1

Moves towards decentralization are still minimal, and additional changes at the state level need to be made, such as providing a framework for investment outside capital cities, and investment in cooperation projects between various cities (inside the country as well as outside).⁹

People often question whether there is really a market for cultural products in the region. Do the 'small' languages and small markets simply face barriers that are too hard for them to overcome in deregulated SEE countries? Some countries, such as those of the former Yugoslavia, see the opening of the common market as an opportunity, and many successful collaborations and cross-border projects have taken place, such as film collaborations.

Serbian movies and their production

Short overview in time

Point of focus: feature films

After the Second World War, feature films were produced in Serbia and Montenegro until 1951 exclusively by Zvezda film, a federal enterprise, and Avala Alm and Lovcen film, republic enterprises. In 1951, they were joined by UFUS (Association of Film Artists of Serbia) and in 1964, also by Belgrade Cinema Club (with its first film, *The Traitor* (Izdajnik), which was directed by Kokan Rakonjac.

In the course of further decentralization of the Yugoslav film industry, dividing it into republic and provincial film industries, professional feature film production was started up in Vojvodina in 1972, by Neoplanta film (with the film *The Traces of a Dark Girl* (Tragovi crne devojke) directed by Zdravko Randic) and in Kosovo by Kosovo film (with the film *How to Die* (Kako umreti) directed by Miodrag Stamenkovic).

Under the 1982 Film Industry Law and Law on the Independent Performance of Artistic and Other Activities in the Field of Culture, it was made possible to set up in Serbia

⁹ Primorac 2005

permanent working communities (PWC or TRZ in the Serbian original) for the production of films. Among the first and most important of the latter was Art film of Belgrade, which was followed by others, specializing in various kinds of films.

In the late eighties, the film producers were also joined by many distributors (Avala pro-film, Mumva film, Inex film, Zeta film, etc.), as well as by Beograd film, the biggest cinema operating organization. Some other organizations, such as Decje novine publishing organization, Association of Cinema Operators of Serbia, etc., also acted as film producers from time to time.

After 1991, many permanent-working communities, as well as many classical film enterprises, were no longer able to carry on their business, because the film market got shrunk" the number of cinemas decreased dramatically and the sanctions made the acquisition of film material and equipment almost impossible.

As of 1991, the Radio and Television Organization of Belgrade/Serbia (RTV Beograd / Srbija) was one of the most important film producers or co-producers. Another major co-producer was Avala film, the one time biggest producer in Serbia, since it owns the filming equipment and other facilities and premises. A financial contribution was being made by the Ministry of Culture of the Republic of Serbia. The initiative in the domestic feature film production was taken over completely by private enterprises, among which the following stand out: MP Agency, Cinema Design, Victoria Film and Monte Royal Pictures.

Serbia and Montenegro have a prevailing share in the film heritage of the former SFR of Yugoslavia. From the 889 long feature films made in the 1947-1990 period, 455 or 51.2% were made in Serbia and Montenegro (426 or 47.9% in Serbia alone).

After 1990, the production of long feature films went on in Serbia only. In the 1991-1997 period, 43 of these films were produced in Serbia and only one in Montenegro. In terms of genre, 40 of them were modern dramas or comedies: one was a historic one

Migrations, Seobe, 1994, directed by Aleksandar Petrovic, one was a musical one, Sweet Dreams, Slatko od snova, 1994, directed by Vladimir Zivkovic, and one was cartoon/puppet film, Amy the Infantry Ant, Mrav pesadinac, 1993, by Slavko Tatic. All films were in colour, in the mono-technique mostly, one being made by the Dolby stereo technique (Variant A) and only two by the Dolby SR technique (*Underground (Podzemlje)*, 1995, directed by Emir Kusturica, and *Balkan Rules (Balkanska pravila)*, 1997, directed by Darko Bajic.

The Yugoslav films made after 1995 were well-rated at international film festivals.

In marking the First Century of Film in Serbia, the Board of the Academy of Film Art and Science (AFUN) made an appraisal of all domestic films made from 1945 to 1995 and selected the best ten. Based on the aesthetic criterion, AFUN divided this period into three phases, including phase of professional beginnings (1947-1956), phase of maturing creativity (1957-1966) and phase of mature creativity (1967-1995).

The stereotype film forms and aesthetic criteria were being abandoned and the directors were increasingly going in for personal expression and attitude, though with a full involvement of their films. This approach was denoted as the "black wave" in the Yugoslav film production, which was arrested by a campaign launched by the establishment in the early seventies. A new generation of directors emerged in the mid-seventies. They became known as the "Czech school" and they were headed by Goran Markovic, Goran Paskaljevic and Srdjan Karanovic. They were joined by students of the "Belgrade school", such as Milos Radivojevic, Slobodan Sijan, Branko Baletic and others. By continuing the author film tradition, they produced films with skillfully incorporated social contrasts, stereotype-free characters, and an atmosphere typical of the domestic environment, in which also well-known foreign actors played.

New film expressions were also being sought in the films of other authors, who were trying to give answers to the questions posed by modern life, though reconsidering also the answers given earlier. Works of literature and plays were filmed, co-operation with

the television was expanding, and the classical producers cooperated with the first author groups gathered in the permanent working communities.

Beginners appeared every year and their films not only freshened up the cinema repertoire, but also extended the aesthetic reaches. The late eighties and first half of the nineties confirmed the maturity of the Yugoslav film industry, which even under sanctions managed to produce several remarkably good films, such as: *Tango Argentino*, 1992, by Goran Paskaljevic, *We are no Angels (Mi nismo andeli)*, 1992, by Srdjan Dragojevic, *The Black Bomber (Crni bombarder)*, 1992, by Darko Bajic, *Premeditated Murder (Ubistvo s predumisljajeni)*, 1995, by Gorcin Stojanovic, and *Underground (Podzemlje)*, 1995, by Emir Kusturica. An authors' autonomy achieved in a new sensibility to various psychological and emotional contrasts which are felt increasingly in the Yugoslav society, elevated these authors above the local frames.

The cultural market in Serbia was ruined during the 1990s due to huge inflation rates and decreasing standards of quality of life. This also meant that audience numbers decreased, for example, film viewers decreased from 24 million in 1989 to 4.6 million in 2000. As the purchasing power of the population decreased, so did the number of buyers of cultural or artistic goods and services.

In the article “Cityscape and Cinema”, Nevena Dakovic present the four main groups of local productions:

1. Euro co-productions stories- *Underground* (1995, d. Emir Kusturica) or *A Midwinter's Night Tale /San zimske noći* (2004, d. Goran Paskaljević)- are made by famous names as well as by young directors - like *The Red Colored Grey Truck/Sivi kamion crvene boje* (2004, d. Srđan Koljević) or *The Trap/Klopka* – with the money won at the international pitching.
2. No-budget made movies -(*Land of Truth, Love and Freedom/Zemlja, istine, ljubavi i slobode*, (2000, d. Milutin Petrović), *The Kisses/Poljupci* (2004, d. Saša Radojević) *Shaytan's Warrior* or to a degree *Seven and a Half* - cover bare production necessities through the local film funds. Thus, the production

company of symptomatic name -of the film *Seven and a Half - Brigade* alludes to youth and workers' brigades that were reconstructing the socialist Yugoslavia after the WW2.

3. Mainstream or A production, reserved for the traditional authors and the titles that are national candidates for Oscar like *Profesionalac/The Professional* (2003. d. Dušan Kovačević) or *Jesen stiže dunjo moja/Goose Feather* (2004, d. Ljubiša Samardžić). The films are mostly made by surviving "classical" production companies like *VANS* or *Cinema Design*.
4. Commercial quickies like *Zona Zamfirova* (2002, d. Zdravko Šotra), *Peasants/Seljaci* (2001, d. Dragoslav Lazić) , *The Scam of the Third Reich/Pljačka trećeg Rajha* (2004, d. Zdravko Šotra) are made either as the spin off of the popular TV series or, are afterwards turned into TV series by the inclusion of all film' s editing leftovers.

This division clearly states the situation in Serbia and the interest of local producers to find partners at the international level. The reason for this lies in the fact that, besides mainstream production and the commercial quickies, (numbers 3 and 4 in Nevena Dakovic's classification), the most successful movies were the ones co-produced with international help: *Underground*, *The Trap/Klopka*, *A Midwinter's Night Tale /San zimске noći*, *The Red Colored Grey Truck/Sivi kamion crvene boje*.

A concise list of number of films made annually, that varies from five to eleven, additionally confirms the crises and downfall of the film industry:

Table 2: Number of films ended per year (1997 - 2005)

Year	Number of films
1997	6
1998	10

1999	5
2000	6
2001	10
2002	9
2003	10
2004	11
2005	9
2006	14
2007	17 ¹⁰

To conclude, we can say that the Serbian production is bigger than those of all other ex Yugoslav republics put together. Furthermore, with its outstanding world success: prizes won in Cannes, Montreal, Berlin etc. “It is almost impossible not to be amazed and fascinated by its vitality.”¹¹

Point of focus: film showing / theaters market

Before proper cinemas were opened in what is now the FR of Yugoslavia, films were being shown in rented for the occasion restaurants¹² and fire brigade, sports, dance and other halls. The cinema network inherited in Yugoslavia after the Second World War was unevenly distributed and fragmentized, as most cinemas were one-man businesses having only one or possibly two to three halls.

¹⁰ Nevena Dakovic states that “Due to lack of unique system of statistics this number includes two films shot couple of years ago but only in 2007 transferred to 35mm and than shown in cinemas. “

¹¹ Nevena Daković, “Cityscape and Cinema”, in *The Creative City: Crossing Visions and New Realities in the Region*, ed. by Nada Švob Đokić, Culturelink, Zagreb, 2006, pp173-185.

¹² Nevena Daković, in her article about *Cityscape and Cinema* states that “One of the officials gloomily predicts that Serbia would return to the “kafana culture” of the end of the 19th century, when the first projections were hold in *kafanas* like *Zlatni Krst* or *Kolarac*.”

After the Second World war, when the attitude to the film industry changed, recognizing it as a part of national culture and arts, the cinemas also changed their purpose, because they became places of an informative, cultural and, in the last place, entertaining nature. However, despite these changes, the film showing sector was still characterized by the lowest level of organization.

Thanks to the implementation of the cinema network expansion programme started up in the period of centralized administration and continued after 1951 in somewhat different circumstances, the number of cinemas kept increasing until 1967, when it reached 1,765 in the then Yugoslavia as a whole. It has been decreasing ever since.

The decrease in the number of cinemas was also paralleled by a decrease in the number of cinema-goers, ratio of the domestic to foreign film audience and per capita cinema-going rate.

The number of cinemas and the number of shows and cinema-goers have been increasing gradually since 1995 and this has been paralleled by many changes dictating the future expansion of cinemas in Yugoslavia, and later continuing in Serbia.

Yugoslavia, and after that Serbia, faced a complex socio-political situation that influenced cultural one. Therefore, the long lasting politically turbulent situation caused the constant downfall of the cinema going. In a study¹³ from 2005 it is presented that in whole of Serbia there was 1.000 film theatres. In 2007 we can find 70 cinema theatres and around 85 screens. It might seem huge drop compared to 2006 and 138 cinemas but this is close to real number –meaning cinemas working as such. Also Belgrade film was sold and the theaters closed.

¹³ Nevena Daković, “Cityscape and Cinema”, in *The Creative City: Crossing Visions and New Realities in the Region*, ed. by Nada Švob Đokić, Culturelink, Zagreb, 2006, pp173-185.

In it is a pity that in provincial areas, the cinema halls have projections mostly at weekends, while even in Belgrade matinee shows are rare. But this situation has a lot in common with the facts happening in other neighboring countries. For example, in Bucharest, there are such matinees, but one movie is projected if they are at list 3 persons in the hall. If not, as mostly usually happens during week time and working hours, the cinema is apparently open, but it is not possible to see any movie if the target of three persons isn't reached.

In Belgrade, there are only two multiplexes-*Tuckwood* and *Stork/Roda*- while only few other places deserve to be called cinema theatres.

There were also some the changes in the ownership structure. Namely, many halls of the workers' and popular universities, cultural clubs, youth clubs and the like, in which films used to be shown from time to time, have been rented and reshaped by private distributors who by doing so, set up a parallel cinema network of their own. These changes were essentially followed by the introduction of the stereo-Dolby sound and DVS systems. Moreover, exclusively thanks to the initiative of private distributors, multiplex cinemas (having several halls) are also being opened.

To conclude, one existential problem continuing in these present days about national production is the lack of the closure of the production circle i.e. there is no significant return from the box offices. Even the most successful projects barely regain money and for 90% of the films it is impossible to talk about the profit. Part of trouble lies in the structure of the promotion and distribution systems. Some issues emphasized by Nevena Daković are an inadequate local theatrical market; low prices of the cinema tickets; lack of international release and secondary markets.¹⁴

The most adequate solution to this problem also to talk about the strategy of promoting one movie, in the same time of post-production, just because the life circle isn't finished

¹⁴ Nevena Daković, "Cityscape and Cinema", in *The Creative City: Crossing Visions and New Realities in the Region*, ed. by Nada Švob Đokić, Culturelink, Zagreb, 2006, pp173-185.

with the production of the movie and the process continues with other items: participation at national and international festivals, secondary markets like DVD, TV, cable etc.

Another problem in Serbian theaters market is the question of tickets. We can observe here a dispute between the foreign regulation and local situation. It is all related to piracy. One can find a good pirate edition of a movie for only 1,5 euros, even less, but the international officials do not allow the ticket price to be less than 2,5 euros (making it more economic to buy the pirate copy than to go to the cinema). But some regulation has been made: recently formed movement *Film Resistance Metro Film* suggested the lowering of the ticket price. For certain projections it was recommended to be about 1,2-1,5 euro i.e. cheaper than any pirate copy. The real situation is that majority of theatre owners/exhibitors were very skeptical about the impact of such desperate move that was put in practice for very limited number of events.

Based upon the facts presented in this chapter, it may be concluded that Serbian film industry has a large and fruitful tradition. Not only the past but also the present shows us a constant need of making and attending Serbian movies. Balkan specificities, attempts to enfold the past, current situation in one transition country, all of those items are combined in some well built stories.

But the lack of economic, social and political development influenced also the mechanism of movie production. That is why producers need to find other resources for funding their projects. The system of film production in Serbia is not balanced (lack of professionals that have the ability to take the artwork and to make it enter into festivals competitions or a good system of distribution; lack of good criteria for selection of funding one movie - we can see this fact from the mechanism of competition at the city level, for example the City of Belgrade case, as mentioned by Nevena Daković in her articles about "Cityscape and Cinema", published in *The Creative City: Crossing Visions and New Realities in the Region*, ed. by Nada Švob Đokić.

II.

Eurimages: Description and programmes

Eurimages is the Council of Europe fund for the co-production, distribution and exhibition of European cinematographic works, set up in 1988. In 2004, Eurimages celebrated fifteen years of its work on the support of the European film.

Aims

Eurimages aims to promote the European film industry by encouraging the production and distribution of films and fostering co-operation between professionals. Eurimages endeavors to support works which reflect the multiple facets of a European society whose common roots are evidence of a single culture. The Fund also has an economic goal, since it invests in an industry which, while concerned with commercial success, is interested in demonstrating that cinema is one of the arts and should be treated as such. Bearing this in mind, Eurimages has developed four funding programmes:

- Assistance for co-production;
- Assistance for distribution;
- Assistance to cinemas;
- Assistance to digitization for Eurimages funded projects.

The majority (almost 90%) of the Fund's resources - which originate from member States' contributions - goes to supporting co-production. Since it was set up, the Fund has supported the co-production of more than 900 full-length feature films and documentaries. A number of these have received prestigious awards (Oscars, Palme d'Or, Golden Lion...). The rules and conditions under which assistance is awarded were changed in January 2000 to reflect developments in film-making in the member States. All the projects that apply for support must have at least two co-producers from different member States of the Fund, while the resources granted by the Fund are not outright

grants.

Facts and figures

The sum committed to assistance for distribution amounts to some 760,000.00 euros a year, while, in partnership with Europa Cinemas, it supports 32 cinemas in five different countries. An amount of 616,000 euros is awarded each year for assistance to cinemas.

Administrative structure

Eurimages is managed by a Board of Management, composed of the member States. The Secretariat of the Fund implements the decisions taken by the Board and ensures that the Fund regulations are respected.

The Board of Management determines Eurimages policy, the conditions on which it awards financial assistance and selects the projects for support. It generally meets six times a year.

The Board of Management elects its President from amongst the personalities proposed by the member States. The President's role is to represent the Fund on audiovisual policy matters, to conduct the debates and to engage in an active dialogue with professionals of the cinema sector. On 19 November 2002, the Board of Management elected Mr Jaques Toubon President of Eurimages.

The Secretariat of the Fund is responsible for the administration of the Fund. It prepares the meetings of the Board and implements its decisions. It ensures the respect of the eligibility criteria for support and closely examines and analyses the applications in liaison with producers. The Secretariat is run by Ms Renate Roginas.

Member states

Today, there are 33 Member States in Eurimages. Each Member State appoints its representative to the Board of Management - the executive body for the attribution of assistance for the co-production, distribution and exhibition of films.

Eurimages: Legal framework and funding policy

In the following pages we will present and comment the legal framework based upon which the Eurimages Fund was initiated. The document that is the basis of the fund is the Resolution (88)15 that is “setting up a European support fund for the co-production and distribution of creative cinematographic and audio-visual works – Eurimages”.

The representatives of the Committee of Ministers from the twelve countries recognized the following development and needs of the international film market:

- constant advance of information and communication technology and the large-scale emergence of new transmission and distribution channels will give as a result increased demand for programmes and increased competition in the programme market.

This brief description is generating in the Resolution (88) a “wish list” of items that can be done with the support of this Fund:

- to foster the co-production and distribution of creative cinematographic and audio-visual works in order to take full advantage of the new communications techniques and to meet the cultural and economic challenges arising from their development;
- to intensify co-operation and exchanges for the purpose of stimulating film and audio-visual production as an important means of promoting Europe's cultural identity;

- to take concrete measures in the financial field to encourage the production and distribution of films and audio-visual works and, thereby, the development of the programme industries.

We can add another aim to this listed, that imposes itself after careful observation of how the Eurimages Fund functions. It is about creating strategic partnerships and a dialogue between the co-producers.

Resources of the Fund are to be generated from:

- a. the annual contributions of each of the Fund's member States, determined each year by their representatives on the Board of Management;
- b. the amounts of repaid loans;
- c. any other payments, donations or legacies, that will be subject to the agreement of the latter.

The conditions that must be attained in order to be awarded with a financial aid:

- "Aid may be granted for the co-production, distribution, broadcasting and/or promotion of films or audio-visual works originating in a member State of the Fund." From this condition we observe the intention of the Fund to help the co-producers in all the process of making a film or other audio-visual work and one limit: all artworks must be originating in a member state of the fund.

- "The Board of Management may grant financial aid to natural or legal persons governed by the legislation of one of the Fund's member States, which produce or distribute or broadcast films and/or audio-visual works." The natural persons imply that not only companies and production houses can apply to the Fund, but also physical persons that are governed by the legislation of the country in which she or he is a citizen.

- “In reaching its decision whether to grant aid, the Board of Management shall take into account the quality of the work and shall ascertain whether it is apt to reflect and to promote the contribution of the diverse national components to Europe's cultural identity.” Here we have some criteria taken into account by the Board of Management. The fundamental ones are the quality of the artwork and if this artwork is reflecting and promoting specific national components that are parts of Europe’s cultural identity.

- “Co-production aid may be granted for schemes including at least three co-producers from the Fund's member States. Such aid may also be granted for co-productions also involving co-producers from non-member States of the Fund, provided that the latter’s contribution does not exceed 30% of the cost of producing the co-production.

The contribution, from public or private sources, of each of the co-producers from Fund member States may not exceed 60% of the production costs.”

From this measure Eurimages Fund wishes to give money for the schemes composed in general by the Fund’s member States, and the contribution of the other producers that come from non-member states will not exceed 30% of producing costs. A limit for other funding sources, both public and private, is imposed and they cannot exceed 60%.

- “Aid for the co-production of films and audio-visual works shall be granted in respect of co-productions of works primarily intended for cinema showing and of co-productions of works primarily intended for broadcasting by television or cable distribution, where such work is produced by producers independent of the broadcasting agencies.”

- “Aid for distribution, broadcasting and promotion shall be granted to cover expenditure specified in the application for the manufacture of copies, subtitling and/or dubbing and recourse to various means of promotion. Such aid may not exceed 50% of such expenditure.”

The key expressions in these two conditions are “cinema showing”, “broadcasting by television or cable distribution” and “producers independent of the broadcasting agencies”. All these suggest the promotion strategy of the movies supported by Eurimages Fund, which is giving a hand not only to the independent producers, but also to the broadcasting agencies, television and cable distribution.

It is also important to mention that Eurimages Fund focus on providing help for manufacturing copies, subtitles and/or dubbing, the most elementary issues that a movie should have for developing a promotion strategy, not only at the local level, but also in the international market.

- “Aid shall be allocated in the form of grants or loans at a preferential rate.”

This Resolution was amended by Resolutions (89) 6, (90) 34, (92) 3, (93) 10, (95) 4, (97) 65 and (98) 10 and decisions taken by the Ministers’ Deputies on 15 December 1999 at the 692nd meeting and on 19 July 2000 at the 718th meeting.

In short, at the time of its creation in 1988, three objectives were set for Eurimages: the development of production, the creation of networks of professionals, and the circulation of co-produced films. In order to enhance promotion of co-produced films, a thorough reform of the coproduction assistance provided by Eurimages has been in force since 1 January 2000. The Fund has been enriched in recent years by the objective of digitisation for the funded projects.

The main novelty of the reform lies in the introduction of a dual scheme system.¹⁵

Financial assistance for co-productions remains in the form of an advance on revenue refundable in Euro as soon as earnings come in. It is no longer defined as a proportion of the budget. In each scheme, there is a ceiling on the amount of the financial assistance

¹⁵ Lone Le Floch- Andersen - “Eurimages Sets Up a New Dual Scheme System from 1 January 2000”, European Audiovisual Observatory.

and the value is determined according to the need for funding and the realism of the budget for the project.

It is allocated to projects for films co-produced by at least two co-producers who are nationals of different Member States of the fund (all 33 countries currently). The share of the majority co-producer must not exceed 80% of the total amount of the co-production, and that of minority co-producers must not be less than 10% for multilateral co-productions or 20% for bilateral co-productions.

The criterion of European origin, evaluated using a system of points set out in the Council of Europe's European Convention on Cinematographic Co-production, has been reinforced by the introduction of minimum thresholds for the capital of co-producer companies and the funding of the co-production.

The dual scheme system does not mean supporting commercial films on the one hand and cultural films on the other; the aim is to take account of the profile of films by applying two different types of criteria for eligibility and selection.

The main features of the two schemes are as follows.

1. First scheme is devoted to films with real circulation potential.

This scheme will allocate financial assistance mainly on the basis of the circulation potential of projects submitted. At least 75% of the funding from the majority co-producer country and at least 50% of the funding from the other co-producer countries must be confirmed by formal undertakings or undertakings primarily at the time of submitting the application.

Circulation in at least three countries needs to be guaranteed; the application must include an estimate of sales drawn up by a sales agent.

2. Second scheme is devoted to films reflecting the cultural diversity of the cinema in Europe.

This scheme is directed at films with smaller budgets and more modest artistic composition, and experimental films with considerable artistic potential.

At least 50% of the financing from each co-producing company must be confirmed by formal undertakings and undertakings in principal and must include either national aid, television advance sale or another element of financing which can be checked, all at the time of submitting the application.

The choice of scheme (which is final) lies with the producer. A project cannot be listed and withdrawn more than twice. A project which has been turned down cannot be submitted under the other scheme, unless it has been substantially amended.

Application procedure and paper work

As we mentioned above, the applicants must be originating from the Fund's Member states. Financial support may only be given to European¹⁶ natural and legal persons governed by the legislation of one Fund's member States, whose principal activities are to produce cinematic works and whose origin are independent from public or private broadcasting organizations. The Regulation from 2008, clearly depicts that a European company is considered independent "when less than 25% of its share capital is held by a single broadcaster or less than 50% where several broadcasters are involved."

In the case of multilateral co-production, in the Regulation it is stated "the participation of the majority co-producer must not exceed 70% of the total co-production budget and the participation of each minority co-producer must not be lower than 10%."

¹⁶ We can find clearly stated that the natural and legal persons that can have the financial support must be from a State in European Union. Source: "Regulations for the support of co-production and distribution of full length feature films, animation and documentaries", 2008.

Concerning the co-producers that come from non member States of the Fund, they can participate in the project “provided that their combined production percentage does not exceed 30% of the total co-production budget.”

Lists of documents requested¹⁷:

Application form completed in typescript
A financing plan specifying each co-producer’s contribution to the financing of the film in the co-producer’s national currency and in euros, the sources of finance and the amount of EURIMAGES support requested
Tables on the European character of the project for fiction and animation films
A list of cast and crew members (<i>names, nationalities and/or permanent residences, roles or duties</i>)
A detailed filmography of (<i>including the participation in festivals, the countries of release (cinema, TV) during the last five years and the exploitation results for the films supported by EURIMAGES</i>) <ul style="list-style-type: none"> • the director • all co-producers (including company profile) • the distributors and, if appropriate, the international sales agent
A concise filmography of (<i>to cover their last five films</i>): <ul style="list-style-type: none"> • the main actors • the main crew members
A one-page synopsis of the film
A Treatment (<i>maximum 15 pages</i>) Giving a clear idea of the project and enabling the story-line to be fully understood
The director’s comprehensive comments on the style, structure and visual elements of the film, and a brief description of the main characters
Dates and location(s) of principal photography specifying whether studio or location and the number of weeks (<i>as well as name and location of laboratory</i>) and a shooting schedule
A summary budget in euros, summarising the expenditure when broken down by co-producer
A detailed budget in euros and in the delegate producer’s national currency with an expenditure breakdown between the co-producers
Relevant items of evidence, if already available, regarding the sources of finance of the film detailed in the financing plan referred to in item 7 above

¹⁷ The list was accessed on the Eurimages website: www.coe.int/Eurimages

The complete chain of title (<i>underlying rights, if appropriate; both scriptwriter's agreement and director's agreement</i>)
A statement from the other co-producers that the delegate producer is appointed to act as representative for this co-production
A copy of the co-production agreement(s) or deal memo(s) between the co-producers, including any appendices and addenda, as well as letters of intent, deal memos or contracts drawn up with distributors and, if appropriate, with the international sales agent
Contracts or offers of employment for the principal confirmed actors and crew members
Recent excerpts from the national registry of companies of each co-producer's country stating its legal status and the names of the persons who are authorised to enter into agreements on behalf of the company concerned
Revenue statements for films previously supported by EURIMAGES and, if appropriate, the reimbursement of the outstanding amounts
For animation films: designs, storyboard and/or pilot film
The script (in French or English, if possible accompanied by the original language) in electronic version, format "pdf" or "Word" (if possible, compressed into winzip).

The paper work to be prepared in advance is under constant control and advice of the country representative.

Selection criteria for awarding funds:

The Reference grid for the Co-production Working Group¹⁸ indicates the following selection criteria:

- The artistic merits of the project, meaning that the Working Group will analyze: the central theme of the story, the characters, the action and the structure (the way of storytelling), dialogue and director's conception.
- The experience of the director, producers, artistic team (authors, scriptwriter, casting, etc.) and crew members. Here the Working group focuses on the background experience of the team members mentioned above, having in

¹⁸ The reference grid for the Co-production Working Group was provided with the kindness of Mr. Branislav Dimitrijevic, the assistant of Minister of Culture and the Serbian representative of Eurimages Fund.

attention also the acknowledgement at film festivals and commercial results in international and European markets.

- The circulation potential of the project. The Working Group will evaluate the presence and fame of sales agents, distribution contracts, distributor's reputation, minimal level of visibility (number of copies, broadcasts etc.), circulation potential based on the merits of the application pack, reputation of the main actors, directors and other crew members, universal elements of the setting, universal interest of the story.
- The commercial potential of the project directly linked with the circulation potential, as the market potential for cinema, television, DVD and video in co-producing countries, Europe and in the world in general.
- The artistic and/or technical cooperation between the co-producers.
- Level of confirmed financing for the project, meaning that minimum 50% of financing in each co-production country should be confirmed at the time of the meeting, at the level of contract/deal memo or a letter of intent indicating amounts. One indication is stated here: "50% of confirmed financing can be excellent for the project, when the shooting is in 6 months, but weak if the shooting is in a week's time."

This reference grid for the Co-Production Working Group represents clear, well-defined selection criteria in order to facilitate the discussions and the elaboration of the final recommendation for financing one specific project.

Payment procedure of the financial support

If the project has been awarded with a given sum, the payment will be made in three installments. The financial support will not exceed 17% of the total production cost of the film and shall in no event be more than 700.000 €

The first installment of 60% of the total amount awarded following the first day of principal photography. The second of 20%, and the third of 20% are paid after the film is being completed and released in cinemas, etc.

This procedure of payment insures the Eurimages Fund the actual making of the movie that it awards financial support. All the paperwork that a co-producer must do for applying to this level of funding, clearly shows that Eurimages is interested also in the transparency of the co-production mechanism and that all pre-production made plans are indeed the production begins are indeed followed and realized.

Given the above mentioned facts, we can conclude that Eurimages Fund was created as a mean of helping projects that have already covered a considerable part of the budget. This fund is not helping co-producers to start a project, just to continue one that has already been validated and covered by other resources of funding. It is not a fund for the initial steps of one co-production, as well as it would not provide promotion for young generation of producers, actors, directors etc.

The members of the artistic team must have experience and national or, better, international recognition. The bigger the reknown of the artistic crew, the bigger are the chances to get Eurimages support.

Eurimages supports transparency at the level of paperwork, application procedures and general criteria of selection, but the criteria taken into account for every film that got the support is not clearly stated. There is a need for feedback of the Working Groups or even commentaries, which could contribute to the future improved applications for the ones that didn't receive the funding.

III.

Perspectives on European and Serbian cultural policies

Serbian film policy

Cinematography in Serbia, since 2000, has been developed relying a lot on co-productions – so that nearly half of the production has international, mostly regional co-producers. At the same time, the Film Centre of Serbia had granted subsidies for 4 co-production projects from Southeast European countries. A few film projects succeeded in obtaining Eurimages grants, and a few obtained funding for scenario development (from the Paul Nipkow Fund Berlin, Southeast European Fund, etc.)

The *Law on Broadcasting* was adopted in July 2002. It was amended two times (the first time in August 2004 and the second time in August 2005). This law recognises two public national and two regional TV channels, which are obliged to produce and broadcast programmes regarding cultural history and identity, as well as art productions. It is mandatory that the network of public / local radio and TV stations should be privatised over the period of the next three years to comply and harmonise with European standards. To prevent the direct commercialisation of programmes, the law stipulates a public obligation for each TV and radio station to produce its own programmes in order to protect national culture and to foster employment of local artists and media professionals.

There are specific public radio channels for art and culture (Stereorama, etc.), although there is a private TV station – the Art Channel. Public broadcasting was and still is a major producer of cultural programmes, such as drama and TV films, educational programmes, documentaries, etc., both independently and in co-operation with film production companies.

The implementation of the new law, and especially the creation of the Broadcasting Council, provoked a lot of public debate and conflict. The provision proposed by the law, to transform state radio and television into a Public Broadcasting Company, is being realized. In August 2005, Parliament passed amendments to the *Law on Broadcasting*, which allowed RTS to collect licence fees, before its transformation into a public service broadcaster.

The deadline to privatise local public media has been postponed two times: initially it was postponed to the end of 2007, and again to the end of 2008. According to the latest data, 100 are state-owned out of 313 broadcasting companies.

In 2006, competitions for the broadcast licences in the private sector were launched. The Broadcasting agency announced a few competitions: one for national broadcast licences and two for regional broadcast licences (Belgrade and Vojvodina). 20 candidates applied for national licences, out of which 5 were granted for broadcasting TV programmes and 5 were granted for broadcasting radio programmes. In June 2007, a competition for local broadcasting licences was launched and the broadcasting granting process is ongoing.

The former Yugoslavia was very well-known for its film production, not only for long features, but also in the field of documentary and short films. 20-30 films were produced per year. However, in 1991, with the dissolution of the country, only about five films were produced per year. This situation is expected to change with new support for film production coming from both State Television and the Ministry of Culture. The tables above show the number of films produced in Serbia, as well as motion picture projections in the period 2000-2004.

In Serbia, film laws are considered out-dated and are currently being revised: the *Law on Cinematography* (1991). In anticipation of the adoption of a new *Film Law*, the Ministry of Culture and Media organised an open competition for state funding to new films. From 2002 to 2007, 10.18 million euros were invested in feature films, in a number of short

films and some documentaries, some of which have already received awards from international and national film festivals.

The Federal Republic of Yugoslavia (now the Republic of Serbia) entered Eureka Audiovisual in 2001. It also became very active within the South East European Cinema Network and has become a member of Eurimages in January 2005.

A new draft *Law on Cinematography* has been sent to the Secretariat for Legislation and other relevant ministries.

As we mentioned in the introductory chapter, in a brief description about the situation in Serbian film industry, the strategy for the development of The Serbian film industry does not exist, even if, the system provides with the initial legislation framework (*Law on Cinematography*) and means to draw up this desired strategy. We could find this concern, but also some aims, in a fragment related with local context of film industry, taken from *Odluka Žirija* and translated by Nevena Daković:

“Serbian Cinema is strategically neglected. Its problems spread beyond the production and aesthetics invading also the domains of distribution and exhibition. The decisions of this Jury (only seemingly provocative) are in fact administrative cure aimed at making the Serbian cinema- in the next few years- the strongest in the region; with the internationally successful films that would reach numerous and widest audience in the properly equipped cinema theatres.”¹⁹

First European strategy for culture

The First European strategy for culture is focused on contributing to economic growth and intercultural understanding. This two issues are on the priorities also of Serbian

¹⁹ In “Cityscape and Cinema” by Nevena Dakovic, in *The Creative City: Crossing Visions and New Realities in the Region*, ed. by Nada Švob Đokić, Culturelink, Zagreb, 2006, pp173-185.

cultural policies, that is why this first integrated strategy for all the culture in Europe should be taken into account by Serbian representatives.

In 2007 The European Commission adopted a policy statement on the role of culture in a globalizing world which is called the first-ever European strategy for culture. The Communication affirms the central role of culture in the process of European integration and proposes a cultural agenda for Europe, and for its relations with third countries.

José Manuel Barroso, President of the European Commission said: “Culture and creativity touch the daily life of citizens. They are important drivers for personal development, social cohesion and economic growth. But they mean much more: they are the core elements of a European project based on common values and a common heritage – which, at the same time, recognizes and respects diversity.

Today's strategy promoting intercultural understanding confirms culture's place at the heart of our policies".²⁰

The new policy stance, entitled "A European agenda for culture in a globalizing world", takes the form of a **Commission Communication**, which describes the many ways in which the European Union supports culture. They have been prepared following an extensive public consultation with stakeholders.

The policy statement presents **three major objectives that together form a cultural strategy**²¹ for the European Institutions, the Member States, and the cultural and creative sector:

1. Promotion of cultural diversity and intercultural dialogue;

²⁰ Affirmation found on www.coe.int/Eurimages

²¹ EU Culture Strategy, IP/ 07/646 accessed on http://ec.europa.eu/culture/eac/index_en.html

2. Promotion of culture as a catalyst for creativity in the framework of the Lisbon Strategy; and
3. Promotion of culture as a vital element in the Union's international relations.

At a time when the EU is looking forward to the implementation of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, the Communication also addresses **the external dimension of European culture**. It recognizes the need for a European strategy for culture that is both open to diversity within Europe, and at the same time open to the world. The Communication proposes measures to **make culture an even stronger part of political dialogue with partner countries** and regions around the world, **promoting cultural exchanges** and systematically **integrating culture in development programmes and projects**.

In order to support specific actions in ACP countries, the European Commission is proposing to create an **EU-ACP Cultural Fund** as a joint European contribution to supporting the distribution, and in some cases the production, of ACP cultural goods.

This Fund encourages the emergence of local markets and industries, and will also increase the access of ACP cultural goods to European markets. The European Commission proposes to allocate a Community contribution to the fund of about EUR 30 million for the period 2007 – 2013, and invites the Member States to contribute to the fund with additional funding.

A fundamental feature of the new policy stance is the proposal to introduce **a more structured system of cooperation** among the Member States and the EU institutions on cultural matters. The mechanism is based on the '**open method of coordination**' (OMC) that has been successfully used to structure the collaboration of Member States and EU in the area of education and training, youth and social protection.

The mechanism would propose general objectives to be jointly agreed on by the Member States and the European Commission.

Progress towards these goals is to be reviewed every two years by the Commission and the Member States. Communication also seeks to involve the cultural sector – ranging from individual artists and performers to the creative and cultural industries – more closely in European affairs. It therefore seeks to introduce improved structures for dialogue and partnership with these stakeholders through a new "**Cultural Forum**".

The European strategy for culture will be complemented by other actions by the EU in the area of culture, such as **European Year for Intercultural Dialogue 2008**.

From this above presented data we can conclude that European cultural strategy is focused on promoting diversification and creating a film market able to successfully enter into competition with US films, but we must also take into the account the growing world-wide competition. European film industry has, in the same time, structural weaknesses. One of them is the weakness of the distribution channels.

On the other hand, Serbian industry is weak from the point of view of professionals and finding sponsors for projects, but is rich in production of content related to the Serbian culture and history, even if no added steps are made for future film industry that focuses on development of distribution channels and theaters. The problems of cultural policy in Serbia are not only related to the laws but also to economic changes as privatization.

As we can observe, Serbia as future candidate to the European Union Membership tries to be fitted with the European standards and rules, but the process is still developing, the fundamental step is to adopt a Law of Cinematography upgraded to Serbian values and current issues, to promote Serbian film industry, not merely to copy the French cultural policy.

IV.

Eurimages in Serbia

In this chapter we will try to create a summary of the movies that got Eurimages support for co-production and distribution in the period after 2000 and especially after 2004 when Serbia became Eurimages member. Not only co-production support is important for the market development in film industry in one country, but we must also take into consideration the distribution activities related with this Fund in order to better understand the trends and distributors focus and market trends.

In **2000** Eurimages gave support to Yugoslavia, for co-producing one movie, *How Harry became a Tree / Kako je Hari postao drvo* directed by Goran Paskaljević, film awarded with 610.000 € The co-producers were Cattleya (IT), Paradox pictures (IE), Film and general productions (GB), Mact productions (FR). Taking into account the years that followed, also after Serbia became Eurimages member in 2005, this was the largest sum that Eurimages awarded for a Serbian (Yugoslav) director. But we must also take in consideration the fact that all 4 co-producers that applied for the Eurimages Fund are in the European Union. This movie had the premiere in 2001, in Yugoslavia; the total estimated budget was 6.000.000 USD, having just one filming location in Ireland.

2000 was also the year when Yugoslavia received help for distribution purposes for *Cabaret Balkan / Bure Baruta* directed by Goran Paskaljević and distributed by Graffiti Ltd from Poland, and *Crna Macka, Beli Macor* directed by Emir Kusturica distributed by Cinemart As from Czech Republic.

In **2001**, *Padurai/ Falling into paradise* directed by Miloš Radović was awarded with 280.000 €, the co-producers were Neue impuls film (DE), Mact productions (FR), Poetische cinematografiche (IT) and Zillion film production (SB).

No support, either in co-production or distribution, was given to the Serbian movies in 2002, 2003 and 2004 by Eurimages Fund.

In **2005**, when Serbian became Eurimages member, three movies were awarded. The first one is *Fly By Rossinant/ Letete s Rossinant* directed by Georgi Stoev-Djaky, the delegate co-producer was D&D Agency / Radiovision Plus (BG), and the other co-producers were Komuna (SB) and Amour fou film produktion (AT). The movie was released on 30 November 2007. The Serbian film production company, Komuna, entered the industry in mid nineties, first as Emir Kusturica movie distributor, *Time of gypsies* and *Arizona dream*, and after that also as a producer of *Underground*, movie that won Golden palm at Cannes festival 1995. Fertile cooperation with Emir Kusturica continued with production of movie *Black cat, white cat*, movie that won Silver lion prize in Venice 1998. International movie scene success made possible that many co-producing works were accomplished in years that followed. One that stands out is *Savior* made in co-production with IEG, Oliver Stone producing house. Komuna also stands out with technical innovations. Since month of May 2008, Komuna came into the possession (only one in this region) of movie camera, RED ONE 4k.

The second one, awarded with 240.000 € is *Klopka / The Trap* directed by Srđan Golubović (SB) and co-produced by Film house Baš Čelik (SB), Ediopolis (DE), UJ Budapest filmstudio KFT (HU) and Best Hollywood (HU). The release year was 2007. This movie is estimated to be in the fifth place from the top five Serbian most expensive movies.

Srđan Golubović was born in 1972 in Belgrade. While studying theater, he also made several short films. He and other young filmmakers founded the Baš Čelik production company, for whom he made music videos for Serbian musicians as well as commercials. His first full-length feature film *Absolute Hundred* was screened at numerous festivals and won several awards.

The third feature film that won 210.000 € to complete its production was *Love Fair in Gucha / Guca, distant trompet* directed by Dušan Milić (SB), delegate co-producer was Pallas film (DE), the other co-producers were Film deluxe international (SB) Gucha film, Dakar movie (SB), Aichholzer Film (AT) and Art Fest (BG). The director, Dušan Milić, founded the production company Film deluxe international in Belgrade in 2005. The first project *Love Fair in Gucha* (director and script - Dušan Milić), had gather a group of very experienced film workers and young, ambitious and talented people.

The first movie by director Dušan Milić, *Jagoda in the supermarket* was produced by Emir Kusturica and his company Rasta international in 2003. The film has world premiere at Berlin Film Festival in the Panorama official selection program. After traveling at twenty film festivals around the world, it won Grand Prix for the best film at Panorama of European Film in Athens 2003 and Second audience award at 50th Sydney Film Festival.

Dakar movie is a Serbian production company founded in 1992. Its projects include a performance: “T. Williams - *A Streetcar Named Desire* in 1994, a theatre performance: *Reservoir Dogs* in 1996 and a movie: *Three Palms for Two Punks and a Babe* – 1997. Dakar Movie is registered for distribution. Dakar Movie was distributor for *Three Palms for Two Punks and a Babe*. This movie was the Most Viewed Movie in Yugoslavia in 1998 (over 400.000 viewers). With this movie Dakar production company went to domestic festivals to Palić, Herceg Novi, Niš and abroad, to Cottbus – Germany, Tubingen, Prague, Karlovy Vary, Raindance Festival – London, Sofia, Barcelona, Thessalonica, St. Petersburg, Vienna, Morocco. It was in act the most awarded movie in 1998, having got 9 prizes at domestic festivals.

Eurimages support for film distribution in 2005 was given to:

Nr.	Serbian Distribution Company	Movie, director and country of origin
1.	M EXPORT IMPORT	<i>18 ans après</i> directed by Coline Serreau (France)
2.	MIRIUS TUCK	<i>Agata e la tempesta</i> directed by Silvio Soldini

		(Switzerland)
3.	MCF MEGACOM FILM	<i>Avant qu'il ne soit trop tard</i> directed by Laurent Dessaux (France)
4.	PRO VISION	<i>(Une) Aventure (Only the Night)</i> directed by Xavier Giannoli (France)
5.	UNION FILM	<i>Backstage</i> directed by Emmanuelle Bercot (France)
6.	TARAMOUNT FILM	<i>Bal Can Can</i> directed by Darko Mitrevski (Former Yugoslav Republic of Macedonia)
7.	MILLENNIUM FILM & VIDEO	<i>Caché</i> directed by Michael Haneke (Austria)
8.	MCF MEGACOM FILM	<i>(Le) Chiavi di casa</i> directed by Gianni Amelio (Italy)
9.	UNION FILM	<i>Drowning Ghost</i> directed by Mikael Håfström (Sweden)
10.	MIRIUS TUCK	<i>L') Enfant</i> directed by Jean-Pierre et Luc Dardenne (Belgium)
11.	MIRIUS TUCK	<i>(La) Femme de Gilles</i> directed by Frédéric Fonteyne (Belgium)
12.	MIRIUS TUCK	<i>Habana Blues</i> directed by Benito Zambrano (Spain)
13.	PRO VISION	<i>Haute Tension</i> directed by Alexandre Aja (France)
14.	MCF MEGACOM FILM	<i>Pelikaanimies</i> directed by Liisa Helminen (Finlande)
15.	METRO FILM	<i>(La) Prophétie des Grenouilles</i> directed by Jacques-Rémy Girerd (France)
16.	MCF MEGACOM FILM	<i>Trouble</i> directed by Harry Cleven (Belgium)
17.	MCF MEGACOM FILM	<i>Unconscious</i> directed by Joaquin Oristrell (Spain)
18.	MIRIUS TUCK	<i>(La) Vita Che Vorrei</i> directed by Giuseppe Piccioni (Italy)

Ako Zrno Ne Umre (If the Seed doesn't die) directed by Siniša Dragin, awarded with 230.000€ had applied in **2006** and was produced by Mrakonia film (RO and SB) and Wega Filmproduktionsgesellschaft (AT). This feature film was released on February 2008.

Another film, awarded with 280.000€ in 2006, was *Mamarosh* directed by Momčilo Mrdaković and co-produced by Peter Stockhaus, Filmproduktion / Rohfilm (DE), Paprikafilm (SB), Yalla Films (FR), Mythberg films (HU) .

German-Serbian-Hungarian production *Mamarosh* began shooting in March 2008, after the German partners have put up 820.000 € for the film, with Golden Bear-winner Fatih Akin's Hamburg-based company, Corazón International, being delegated to the production. German broadcaster NDR, Arte Deutschland, the Hamburg Film Fund, and the Berlin Film Fund all have a stake in the film.

Serbian Paprikafilm added 200.000 € to the budget, and prominent French sales agent Wild Bunch, which has been attached to the project since 2004, is providing a 150.000 € minimum guarantee. The Hungarian participation consists of a 170.000 € grant from Hungary's Motion Picture Fund and 150.000 € worth of tax rebate under Hungary's film law.

Emir Kusturica, who was involved in the preparation of the project, is executive producer.

After shooting winds up in Belgrade, the crew will relocate to Hamburg, Budapest and New York City.

Obični ljudi/ Ordinary People is another feature film that was awarded with 220.000€ also in 2006 and co-produced by TS Production, Lago films (CH) and Trilema (SB). The movie is directed by Vladimir Perišić, was produced in Paris and it was released in February 2008.

Eurimages support for film distribution in 2006 was given to:

Nr.	Serbian Distribution Company	Movie, director and country of origin
1.	MIRIUS TUCK	<i>L'Annulaire</i> directed by Diane Bertrand (France)
2.	PRO VISION	<i>Arthur et les minimoy</i> s directed by Luc Besson (France)
3.	MCF MEGACOM FILM	<i>(L')Avion</i> directed by Cédric Kahn (France)
4.	MILLENNIUM FILM & VIDEO	<i>Boudu</i> directed by Gérard Jugnot (France)
5.	MIRIUS TUCK	<i>Comme tout le monde</i> directed by Pierre Paul Renders (Belgium)
6.	MCF MEGACOM FILM	<i>Le Domaine Perdu</i> directed by Raoul Ruiz (France)
7.	UNION FILM	<i>L'Entente cordiale</i> directed by Vincent De Brus (France)
8.	MCF MEGACOM FILM	<i>Fair Play</i> directed by Lionel Bailliu (France)
9.	MIRIUS TUCK	<i>(The) Golden Door</i> directed by Emanuele Crialese (Italy)
10.	M EXPORT IMPORT	<i>Je vous trouve très beau</i> directed by Isabelle Mergault (France)
11.	PRO VISION	<i>Joyeux Noël</i> directed by Christian Carion (France)
12.	METROFILM	<i>Kirikou et les bêtes sauvages</i> directed by Michel Ocelot & Bénédicte Galoup (France)
13.	FIRST PRODUCTION FILM & DVD COMPANY	<i>Manderlay</i> directed by Lars from Trier (Denmark)
14.	ORION INVEST FILM A.D	<i>Naboer</i> directed by Pal Sletaune (Norway)
15.	MCF MEGACOM FILM	<i>Obaba</i> directed by Montxo Armendariz (Spain)

Awarded with 380.000 € in **2007**, *Sveti Georgije Ubiva Aždahu / Saint George kills the Dragon* directed by Srđan Dragojević is in post production. This feature film was co-produced by Sveti Georgije ubiva aždahu d.o.o. (SB), Oskar film (BiH) and Camera Ltd

(BG). In the top five estimated Serbian most expensive movies *Saint George kills the Dragon* received the third place, after *Life is a Miracle* directed by Emir Kusturica:

No.	Film title	Year	Budget
1	<i>The Battle of Neretva</i>	1969	\$71,015,000 (in 2008 dollars)
2	<i>Life Is a Miracle</i>	2004	\$12,360,000 (in 2008 dollars)
3	<i>St. George kills the Dragon</i>	2008	5.000.000 €
4	<i>Charleston & Vendetta</i>	2008	4.000.000 €
5	<i>Klopka</i>	2007	2.000.000 €

Srđan Dragojević was born 1963, Belgrade, Yugoslavia. He received BA in Clinical Psychology at the University of Philosophy Studies in 1987, and BA for Film and TV Directing at the University of Drama Arts in Belgrade in 1992. He is teaching now at the Academy of Dramatic Arts in Belgrade. Author of the films: *A3- Rock 'n' roll Strikes Back*, *We are not angels (Mi nismo andjeli)*, *We are not angels 2 (Mi nismo andjeli 2)*, *The Wounds (Rane)*, *Pretty Village Pretty Flame (Lepa sela lepo gore)*.

Turneja/ The Tour was awarded with 225.000 € in 2007, filming on the project began on December 21st, 2007 and it is said it will be concluded at the end of February 2008, but it is still in postproduction status. *Turneja* is directed by Goran Marković and co-produced by Testament films d.o.o (SB) (delegate co-producer) and Balkan film (production) (BA).

Testament films d.o.o. is an independent company established in Belgrade, Republic of Serbia, owned by Svetozar Cvetković, actor, theatre manager, producer, with its final aim to save truly artistic values in cinematography in this part of Europe. In 2004 Testament films produced and developed a project by Miša Radivojević entitled *Awakening from the dead*; a low budget author's film, opening it at Belgrade Film festival and presenting to the world at Sarajevo Film festival and Montreal Film Festival 2005. After that, the film has been presented to 12 festivals around the world, among them, Buenos Aires, Jerusalem, San Jose, Palm Springs, Hamburg, Seattle etc. The second project was *The Reject*; by the same author as a part of the trilogy to be done with the same author. The project *The Tour*; written and directed by Goran Marković; is to be done as the biggest

movie for this production company. Testament films d.o.o. is planning to work with famous authors of so called *black wave* of Serbian cinema hoping to save their artistic sense for generations to come.

Also in 2007, *Zena bez tijela /The Woman without a body* directed by Vinko Bresan received the support of 220.000 € from Eurimages Fund. The movie was released on 27 May 2008 and the co-producers were Interfilm (HR) and VANS (SB).

VANS was established in 1990 as the first private film company in former Yugoslavia. Starting as a video distribution company and soon afterwards a cinema distributor, VANS completed its first production in 1991 with *Tango Argentino* by Goran Paskaljević. They continued with film production and their films have been awarded on many prestigious world film festivals, such as Venice and San Francisco. Recent titles of VANS include *Tango Argentino*, *Better than escape*, *Byzantine blue*, *Bure Baruta/ Cabaret Balkan*, *Christmas song*, *Boomerang* and *Labyrinth*.

Eurimages support for film distribution in 2007:

Nr.	Serbian Distribution Company	Movie, director and country of origin
1.	M EXPORT IMPORT	<i>Azur et Asmar</i> directed by Michel Ocelot (France)
2.	MCF MEGACOM FILM	<i>C'est Gradiva qui vous appelle</i> by Alain Robbe-Grillet (France)
3.	UNION FILM	<i>Combien tu m'aimes</i> by Bertrand Blier (France)
4.	MIRIUS TUCK	<i>Contre-enquête</i> by Franck Mansuco (France)
5.	ORION INVEST FILM A.D	<i>De Profundis / From the sea</i> by Miguelanxo Prado (Spain)
6.	MCF MEGACOM FILM	<i>Elementarteilchen / Elementary Particles</i> by Oscar Roechler (Germany)
7.	ORION INVEST FILM	<i>Iklimler / Climates</i> by Nuri Bilge Ceylan (Turkey)
8.	TUCK VISION	<i>Jean de la Fontaine – Le Défi</i> by Daniel Vigne (France)
9.	ART VISTA	<i>Kontakt</i> directed by Sergej Stanojkovski

		(Germany)
10.	ORION INVEST FILM A.D	<i>La Educación de las Hadas / The Education of a Fairy</i> directed by Jose Luis Cuerda (Spain)
11.	MCF MEGACOM FILM	<i>Laitakaupungin Valot / Lights in the Dusk</i> directed by Aki Kaurismaki (Finland)
12.	TUCK VISION	<i>La Môme</i> directed by Olivier Dahan (France)
13.	MIRIUS TUCK	<i>La Reine Soleil / Princess of the Sun</i> directed by Philippe Leclerc (France)
14.	MCF MEGACOM FILM	<i>La Stella Che Non C'è / The Missing Star</i> directed by Gianni Amelio (Italy)
15.	MIRIUS TUCK	<i>Le Héros de la Famille</i> directed by Thierry Klifa (France)
16.	KIDS FILM FEST	<i>Leiutajateküla Lotte / Lotte from Gadgetville</i> directed by Janno Poldma et Heiki Eernits (Estonia)
17.	PRO VISION	<i>L'Ennemi intime</i> directed by Florent Emilio Siri (France)
18.	MIRIUS TUCK	<i>Les Amours d'Astrée et de Céladon / The romance of Astrea and Celadon</i> directed by Eric Rohmer (France)
19.	TUCK VISION	<i>L'Etoile du Soldat</i> by Christophe de Ponfilly (France)
20.	MILLENIUM FILM & VIDEO	<i>Mein Führer</i> by Dani Levy (Switzerland)
21.	PRO VISION	<i>Ne le dis à personne / Tell no one</i> by Guillaume Canet (France)
22.	KIDS FILM FEST	<i>Suden Arvoitus / Mystery of the Wolf</i> by Raimo O. Niemi (Finland)
23.	CINEARS	<i>Taxidermia</i> by György Palfi (Hungary)
24.	CINEARS	<i>Teah</i> by Hannah AW Slak (Slovenia)
25.	ORION INVEST FILM A.D	<i>The Front Line</i> by David Gleeson (Ireland)

26.	METROFILM	<i>Toute la Beauté du Monde / All the beauty of the World</i> by Marc Esposito (France)
27.	MCF MEGACOM FILM	<i>Transe</i> by Teresa Villaverde (Portugal)
28.	TUCK VISION	<i>Truands / Crime Insiders</i> by Frédéric Schoendoerffer (France)
29.	MIRIUS TUCK	<i>Uro</i> by Stefan Faldbakken (Norway)

In 2008, in the period when this MA thesis is being completed, one feature film received Eurimages support of 200.000 € for *Besa* directed by Srdjan Karanović and co-produced by Film house Baš Čelik / Vusion team (SB), Vertigo / Arjadena Zagreb (SI), Tivoli Filmproductions Ltd (HU) and Asap films sarl (FR),

Eurimages support for film distribution until July 2008:

Nr.	Serbian Distribution Company	Movie, director and country of origin
1.	ORION INVEST FILM A.D.	<i>Fados</i> by Carlos Saura (Spain)
2.	MIRIUS TUCK	<i>Goodbye Bafana</i> by Bille August (Denmark)
3.	CINEARS	<i>Irina Palm</i> by Sam Garbarski (Belgium)
4.	MCF MEGACOM FILM	<i>Jas sum od Titov Veles</i> by Teona Strugar Mitevska (“The former Yugoslav Republic of Macedonia”)
5.	KIDS FILM FEST	<i>La citadelle assiégée</i> by Philippe Calderon (France)
6.	CINEARS	<i>4 Luni, 3 Saptamani Si 2 Zile</i> by Cristian Mungiu (Romania)
7.	TUCK VISION	<i>MR73</i> by Olivier Marchal (France)
8.	MCF MEGACOM FILM	<i>Nos Dejaron El Muerto/La Caja</i> by Juan Carlos Falcon (Spain)
9.	CINEARS	<i>Obsluhoval Jsem Angličého / I served the King of England</i> by Jiri Menzel (Czech Republic)
10.	KIDS FILM FEST	<i>Rennschwein Rudi Rüssel 2</i> by Peter Timm (Germany)

11.	ORION INVEST FILM A.D.	<i>Riparo</i> by Marco Simon Puccioni (Italy)
12.	TUCK VISION	<i>Senki (Bones)</i> by Milcho Manchevski (“The Former Yugoslav Republic of Macedonia”)
13.	ORION INVEST FILM	<i>Akva</i> by Ozer Kiziltan (Turkey)
14.	KIDS FILM FEST	<i>TKKG – Das Geheimnis um die ratselhafte Mind-Machine</i> by Tomy Wigand (Germany)
15.	MCF MEGACOM FILM	<i>Voleurs de Chevaux</i> by Micha Wald (Belgium)

Current situation in film production in Serbia

According to the data provided by Film Center Serbia the following movies are released in 2008: *Biro za izgubljene stvari* directed by Svetislav Bata Prelić, produced by Vizura, Cinebox, Fabrika (Hrvatska), *Čarlston za Ognjenku* directed by Uroš Stojanović, produced by Blue Pen, *Citulja za Eskobara* directed by Milorad Milinković, produced by Pink Film International, *Ljubav i drugi zločini* directed by Stefan Arsenijević, produced by Art&Popcorn, *Miloš Branković* directed by Nebojša Radosavljević, produced by Ideja, *Na lepom plavom Dunavu* directed by Darko Bajić and produced by Magic Line.

Currently there are in postproduction: *Bacio sam cini na tebe* directed by Miroslav Petković and produced by Yodi movie craftsman and Petquila movies, *Bledi mesec (jesen stize dunjo moja III)* directed by Ljubiša Samardžić and produced by Cinema design, *Fantom* directed by Jovan Todorović and produced by Emote, *Hitna pomoć (The ambulance)* directed by Goran Radovanović and produced by Nama Film, *Selo gori a baba se ceslja* directed by Rados Bajić and produced by Contrast Studios, *Sveti Georgije ubiva azdahu* directed by Srdjan Dragojević and produced by Sveti Georgije ubiva azdahu, *Turneja* directed by Goran Marković and produced by Testament film and Balkan film (Banja Luka), *Zivot i smrt porno bande* directed by Mladen Djordjević and produced by Baš Čelik.

Shooting:

013 – *Zona Mrtvih* directed by Milan Todorović and produced by Talking Wolf Production, *Ako zrno ne umre* directed by Siniša Dragin and produced by Mrakonia Film, *Dvoboj* directed by Nenad Djurić and produced by Aleksandar I, *Jelena, Katarina, Marija* directed by Nikita Milivojević and produced by 5 Star production, *Karta u jednom smeru (One way ticket)* directed by Robert Petrović and produced by FFD production, *Sisanje* directed by Stevan Filipović and produced by Hypnopolis film and *Staze sjaja (Paths of splendour)* directed by Miroslav Stanković and produced by Cine Pro 93.

In preproduction:

Devojka sa slomljenim nosom directed by Srdjan Koljević and produced by Baš Čelik, *Iz Beograda s ljubavlju (April u Beogradu)* directed by Bojan Vuletić, produced by Art&Popcorn, *Kao rani mraz* directed by Djordje Balasević and produced by Balajka, RUV, RTS, *Plavi voz* directed by Janko Baljak and produced by Ideja.

In development:

Ana se udaje directed by Milorad Milinković and produced by Viktorija Film, *Asfalt* directed by Dejan Nikolaj Krajacić and produced by DNK film factory, *Beogradska trilogija - dzet leg* directed by Gorcin Stojanović and produced by Film Kombajn, *Besa* directed by Srdjan Karanović and produced by Baš Čelik, *Carobna sviraljka vilenjaka Milana* directed by Zeljko Zima produced by Culi film, *Devojčica sa sibicama* directed by Gordana Boškov produced by Bel press film, *Doba nevinosti (Decak koji je bio suviše nevin)* directed by Danilo Becković and produced by MG Media, *Drugo stanje (The pregnancy)* directed by Dragan Elčić and produced by Powerhouse Entertainment, *Frau Einstein* directed by Miloš Jovanović and produced by Hammer Production, *Janicar (Janissary)* directed by Zorica Bogicevic and produced by PL Production, *Kako sam ukraden od nemaca* directed by Miša Radivojević, *Kandze (The claws)* directed by Marko Manojlović and produced by Film Kombajn, *Konstantin Veliki (Constantin the Great)* directed by Zoran Stefanovic, Dejan Dabić, Milutin Zdravković and produced by SCF 98, *Mamaroš (Mamarosh)* directed by Moma Mrdaković and produced by Yalla Production, *Neki cudni ljudi (Strange kind of people)* directed by Cedomir Petrović

produced Dream Company, *Ordinary people* directed by Vladimir Perisić and produced by Bastard Picnic, *Topli zec (Run the gauntlet - fustuarium)* directed by Goran Vukcević and produced by Digitel, *Vilenjakova prica (Elf's story)* directed by Stevan Djordjević produced by Brvnara, *Zigosana (Marked)* directed by Saša Radojević and produced by Ceklin Films.

After careful analysis of all these facts and data, one can conclude that the Serbian distribution companies obtain support to distribute European movies, mainly French ones, but one can find also movies with Italian, Finish or German origin. From the distribution tables we can observe that year 2007 was the fruitful one, 29 companies get this support, and from them, Mirius Tuck and Tuck Vision were the successful ones, in terms of distribution, as they distributed 9 European films with Eurimages support. From these 9 movies, 8 of them are of France origin, only one being from Norway: *Uro* by Stefan Faldbakken.

Concerning co-production, two movies that got Eurimages support in 2007, *Sveti Georgije Ubiva Aždahu / Saint George kills the Dragon* and *Turneja/ The Tour* are currently in post production phase. Still in shooting there is a movie that was awarded by Eurimages in 2006: *Ako Zrno Ne Umre (If the Seed doesn't die)*. According to the Serbian Film Center, in 2008, three movies are in development phase, two of them received Eurimages support in 2006: *Mamarosh* and *Obični ljudi/ Ordinary People*, and one in the first months of 2008: *Besa*.

V.

Artworks: the movies (Presentation and analysis)

The final product of co-producing is the film, the artwork. In the following pages, movies that got Eurimages support will be presented and analyzed. The presentation consists of synopsis of each movie and a short listing of the main actors. The analysis will be trying to position films into the general context.

Movies that got only Eurimages support for distribution are: *Cabaret Balkan / Bure Baruta* directed by Goran Paskaljević and *Crna Macka, Beli Macor* directed by Emir Kusturica, in 2000. But, in the turbulent period of year 2000 and after, there are also two movies that received support for co-producing. The first one is *How Harry became a Tree / Kako je Hari postao drvo* directed by Goran Paskaljević that received, in 2000, 610.000 € but it doesn't have any Serbian co-producer, just the Serbian director, Goran Paskaljević. In 2001, *Pad u raj/ Falling into paradise* directed by Miloš Radović, having 3 co-producers from the Member States (Neue Impuls film (DE), Mact productions (FR), Poetische Cinematografiche (IT)), and one from Serbia (Zillion film production), received only 280.000 €

After 2005, several movies were released with the support of Eurimages fund: *Fly By Rossinant/ Letete s Rossinant* directed by Georgi Stoev-Djaky, *Klopka / The Trap* directed by Srđan Golubović, *Love Fair in Gucha* directed by Dušan Milić, *Zena bez tijela /The Woman without a body/ Nije kraj* directed by Vinko Bresan.

Released movies/presentation

How Harry became a Tree / Kako je Hari postao drvo directed by Goran Paskaljević

Synopsis: The small village of Skillet in the west of Ireland, 1920's. Harry Maloney, as weathered and craggy as the landscape that surrounds him, is tormented by dreams in which he is transformed into a tree, only to be cut down and rendered into coffins. Harry lives with his son Gus in a falling-down house on the edge of town, a house whose decay began when Harry's favorite son died violently a couple years earlier, soon thereafter followed into the grave by his heartbroken mother. Harry believes that "a man is measured by his enemies". So he picks George, pub owner, entrepreneur and undoubtedly the most powerful man in town, as his personal adversary.

Cast: Colm Meaney, Adrian Dunbar, Cillian Murphy, Kerry Condon

***Cabaret Balkan / Bure Baruta* directed by Goran Paskaljević**

Synopsis: *Cabaret Balkan*, a ferocious black comedy, presents a microcosm of life in contemporary Belgrade by introducing us to a disparate gallery of characters who inhabit the Balkan city over the course of one hectic night. The film opens with a direct nod to "Cabaret," as a heavily made-up emcee cheerfully warns the viewer that "tonight, I'm going to screw with your minds." From there, we join the arrival home of a man who, it turns out, hopes to be reconciled with his estranged wife. The taxi driver who takes him downtown from the airport questions his wisdom in returning to "this lousy country," noting that anyone with brains has already left. In the background, the car radio reports Euro pressure on Milosevic's Yugoslav government to stop the fighting in Kosovo. From there, we are introduced to a disparate succession of the city's denizens, each of them affected by the politics that continue to rack this once unified country. As the individual storylines intertwine and lead toward a common destiny, an unforgettable portrait of human survival is formed that the viewer is not likely to forget.

Cast: Miki Manojlovic, Sergej Trifunovic, Mirjana Jokovic, Lazar Ristovski, Mira Banjac, Ivan Bekjarev, Aleksandar Bercek, Voja Brajovic, Bogdan Diklic, Milena Dravic, Nebojsa Glogovac, Mirjana Karanovic, Dragan Jovanovic, Toni Mihajlovski,

Nebojsa Milovanovic, Nikola Ristanovski, Marko Urosevic, Dragon Nikolic, Danilo 'bata' Stojkovic, Velimir 'bata' Zivojinovic

***Crna Macka, Beli Macor* directed by Emir Kusturica**

Synopsis:

Grga Pitic and Zarije are old gypsies, both in their eighties, with a lifetime of schemes behind them. Zarije's son, Matko, gets Grga to subsidise a heist he has planned. However, the heist goes wrong, and his partner Zare demands that in compensation Matko's son Zare must marry Dadan's ugly sister, Afrodit

Cast: Bajram Severdzan, Srdan Todorovic, Branka Katic, Florijan Ajdini

***Pad u raj/ Falling into paradise* directed by Miloš Radović**

Synopsis: The story retraced by the film speaks about the events that fell upon our country in 1999, but from the prospective of a lucid patriot - interpreted by Lazar Ristovski - who tries to solve the war on his own. One might define it a black humor story. Still, it is, to a great extent an illustration of the average man from this part of the world seeking a way out when he is faced with a desperate situation. In one way or the other. The hero of our story has sought his way.

Cast: Lazar Ristovski, Nikola Pejakovic, Branka Katic, Olivera Markovic, Simon Lyndon, Jovana Milovanovic

***Fly By Rossinant/ Letete s Rossinant* directed by Georgi Stoev-Djaky**

Synopsis: Bulgarian opera cast is on tour in Europe. Due to the lack of proper funding they travel with an old bus named "Rossinant". When, after learning that he has a new born son, the driver gets drunk, the wheel of Rossinant gets into the hands of the elderly conductor of the troupe – a really bad driver who thinks he is always right.

Cast: Krastyo Lafazanov, Itzko Finci, Stefania Koleva, Maya Novoselska, Tatiana Lolova, Georgi Mamalev, Nona Yotova

***Klopka / The Trap* directed by Srđan Golubović**

Synopsis: Underpaid engineer Mladen (Nebojsa Glogovac) and his wife Marija (Natasa Ninkovic) are a young middle-class couple living with their 10-year-old son in Belgrade and struggling to make ends meet. When the boy is diagnosed with a life-threatening illness that requires immediate surgery abroad, they are at a loss to find \$30,000 for the operation and traveling costs. With no other option, Marija swallows her pride and puts an appeal in the paper for donations.

The only person who answers the ad is the mysterious Milos (Miki Manojlovic), who makes Mladen an indecent proposal: the money in exchange for murdering a business rival. At first Mladen is repulsed, but when the boy's condition becomes critical, he has second thoughts.

Cast: Nebojsa Glogovac, Natasa Ninkovic, Anica Dobra, Miki Manojlovic

***Love Fair in Gucha* directed by Dušan Milić**

Synopsis: Juliana, the 16-year-old daughter of the greatest Serbian trumpet player, Satchmo, falls in love with Romeo, a young trumpet player from a rival Roma orchestra, Sandokan's Tigers. Satchmo utterly rejects Romeo for his dark complexion and he would do anything to separate the couple and put a stop to this love. But, as a great admirer of Louis Armstrong, he promises that he will give in and let Romeo be with his daughter: the only thing Romeo must do is outplay Satchmo at the famous trumpet competition: Gucha Festival. In order to be with the love of his life, Romeo must achieve the impossible: he must play better than Juliana's father...

Cast: Marko Marković, Aleksandra Manasijević, Mladen Nelević, Slavoljub Pesić, Marko Jeremić

Zena bez tijela /The Woman without a body/ Nije kraj

Synopsis: Martin is a Croatian war veteran who suffers from cancer. After finding out that he has only a few months of his life left, he wants to purify his soul from the sin that he's been carrying inside himself for 10 years. Instead of going to Switzerland for treatment with the money that his war friends had collected, he goes to Belgrade to search for a porn actress.

Cast: Nada Sargin, Vojislav Brajovic, Ivo Gregurevic, Leon Lucev, Branko Cvejic, Predrag Vuovic-Predjo, Zarko Potocnjak, Drazen Kuhn, Mladen Vulic

Not released movies/ presentation

We have also data about movies that are not released yet, they are either in **postproduction**, like: *Sveti Georgije ubiva azdahu* directed by Srdjan Dragojević and *Turneja* directed by Goran Marković, in **shooting**, like *Ako zrno ne umre* directed by Siniša Dragin, or **development phase**, like: *Besa* directed by Srdjan Karanović, *Mamaroš (Mamarosh)* directed by Moma Mrdaković and *Ordinary people* directed by Vladimir Perisić.

***Sveti Georgije ubiva azdahu / Saint George Kills the Dragon* directed by Srdjan Dragojević**

Synopsis: The year is 1914. The place: a village in Serbia on the bank of the river Sava, the natural border with the mighty Austro-Hungarian Empire.

The population of the village is divided between two radically opposed factions - the able-bodied potential army recruits and the disabled veterans from the previous two Balkan wars. There is bitter animosity between the two groups.

Soon, at the start of the First World War, the healthy population is mobilized. The veterans left behind in the village try to take advantage of the soldiers' wives and sisters.

News about this reaches the Serbian soldiers in the trenches a few days before the expected enemy attack.

To prevent a mutiny, the Serbian High Command decides to take the disabled veterans to the front line and thus deal with "the inconvenience".

These extraordinary events, based on a true story, create the backdrop for an ill-fated love triangle between a young disabled war veteran, a local policeman and his wife, that ends in a manner resembling an ancient Greek tragedy.

Cast: Lazar Ristovski, Sergej Trifunović, Zoran Cvijanović

***Turneja* directed by Goran Marković**

Synopsis: Year 1993, the bleakest time of war in Bosnia and Herzegovina. A group of actors from Belgrade, utterly unaware of what they're setting themselves up for, embark on a search for quick earnings - on a "tour" around the Serbian Krajina. However, there they are thrust into the heart of war and begin to wander from war front to war front, from one army to the next.

Cast: Dragan Nikolić, Svetozar Cvetković, Josif Tatić, Vojislav Brajović, Jelena Djokić, and Tihomir Stanić.

***Ako zrno ne umre / If the seed doesn't die* directed by Siniša Dragin**

Synopsis: Two fathers, a Romanian searching for his daughter who was forced into prostitution in Kosovo, and a Serbian seeking the body of his son killed in a car accident in Romania, meet on the Danube. A boatman recounts the 200-year-old legend of Romanian peasants struggling unsuccessfully to move an old wooden church up the hill to their village at a time when the building of Orthodox churches was prohibited.

Cast: Mustafa Nadarević, Dan Condurache, Franz Buchrieser, Miloš Tanasković, Simona Stoicescu, Ioana Barbu

***Besa* directed by Srdjan Karanović**

Synopsis: It is the very beginning of World War One. PHILIP, a Serb and the headmaster of a grammar school in the Serbian province, receives a summons to go to Belgrade immediately to receive the official wartime school schedule. He has no one with whom to leave his wife LEAH, an attractive young Slovenian whom he met while studying at the university in Western Europe, and who is a rhythmic and dance teacher. AZEM, an illiterate and patriarchal Albanian, the school caretaker, gives his BESA (in the Albanian tradition: one's solemn word, given on one's honor and one's life) that he will look after Leah and that nothing will happen to her. Two Europeans from totally different cultures are forced into an uncomfortable life together in the deserted school. Will Leah and Azem succeed in overcoming class, social, cultural and ethnic barriers that face them? Will this sincere and passionate love actually be stronger than Azem's firmly given word?

Cast: Miki Manojlović, Iva Krajnc, Nebojsa Dugalić, Radivoje Bukvić

***Mamaroš /Mamarosh* directed by Moma Mrdaković**

Synopsis: Middle-aged Pera lives in Serbia, under the shadow of his mother Mara. She is a retired ex-Communist Party member who still believes in the glory of Socialist ideals. Pera is a typical mom's boy (a *mamarosh*), a film buff and an Anglophile. After he wins the Green Card lottery, the two go to USA to escape the NATO bombing in 1999. Surprisingly, mom does better over there, despite the ideological differences.

Cast: Bogdan Diklić, Kapitalina Erić, Miki Manojlović

***Ordinary people* directed by Vladimir Perisić**

Synopsis: Early one morning, a busload of soldiers drives to an unknown destination. Among the passengers is Drazen, a twenty-two year-old soldier. He is new in this

brigade, and because of his mixed national origins he is having trouble integrating into the group. The bus stops in front of an abandoned farmhouse in the middle of a field. Drazen, anxious because of the mystery that shrouds their mission, tries to find out what is expected of them. He does not get an answer. Suddenly a bus full of blindfolded men of all ages arrives. Branko, the brigade commander, is there to execute the orders and convince the men that the only solution when faced with a problem is to eliminate it: these men are a threat to the State, they are enemies. Drazen is confused; his brigade has not done anything of that sort before...

Cast: Boris Isaković and non-professional actors

Released movies / analysis

In the following pages one can read a short analysis on the movies that were released in order to get a general perspective. This analysis is focused on the atmosphere depicted by the movie and the main ideas.

The two movies of Goran Paskaljevic represent different realities seen by the same eye.

Set in 1995 and completed well before the NATO bombing of Serbia, ***Cabaret Balkan (1998)*** is a loosely connected series of nightmarish, stylized vignettes, all set in Belgrade on a bleak winter's night. One stylized *tableau* is established in a brief opening nightclub scene. An androgynous M.C., Boris (Nikola Ristanovski), wearing heavy black eye shadow and a feather boa and twirling a cigarette, sneers into the camera that he is going to play with our minds. When we see him again at the end of the movie, he is without makeup and falling-down drunk.

The brutal nature in *Cabaret Balkan (1998)* can be seen in every sketch that populates the movie. Moments of fear are combined ingeniously with moments of violence and anger. The director is depicting one night of madness and how evil affects ordinary people that are not in the front line of the battle, characters being not reduced merely to the

stereotypes of evil. *Cabaret Balkan* presents a devastating vision of a war-torn country in which the basic laws of civilized behavior have eroded in a climate of all-consuming suspicion, hatred and vengeance.

After a few years in the city (an immigrants' New York in *Someone Else's America* and a Belgrade on the verge of exploding in *Cabaret Balkan*), Serbian director Goran Paskaljevic journeys to the Irish countryside to explore themes prevalent everywhere: hatred and revenge.

Paskaljevic initially wanted to set the film *How Harry became a Tree / Kako je Hari postao drvo (2001)* in Yugoslavia but was unable to return at the time. While the story could essentially be filmed anywhere with its universal theme, rural Ireland lends itself well. Some parallels between Yugoslavia and Ireland exist in terms of conflict and nationalism and the themes of revenge and unmitigated hatred aren't exactly foreign in either country. But there are folklorist elements scented with an earthy, Eastern European aroma. Scenes with folk musicians playing the accordion, a rural wedding picture with a goat wandering around and gossiping villagers could just as easily have been played out in rural Serbia.

We are returning in the releasing year of 1998 and with *Crna Macka, Beli Macor / Black Cat, White Cat (1998)*, Emir Kusturica returns to one subject that has won him acclaim – the life and culture of the Roma, but he does not abandon his love for absurd. The themes of love and a boy becoming a man are the central ones in this movie. But one can see also that *Black Cat, White Cat* is an occasion for presenting the life of Roma people, with a touch of humor and absurd.

A different picture of Serbia is shown in the story of the film *Falling into paradise (2004)* that speaks about the events that fell upon Serbia in 1999, but from the prospective of a lucid patriot - interpreted by Lazar Ristovski - who tries to solve the war on his own. One might define it a black humor story. Still, it is to a great extent an illustration of the average man from this part of the world seeking a way out when he is

faced with a desperate situation. He has to choose one way or the other. The hero of our story has sought his own way.

Pad u raj/ Falling into paradise has a great scenario, plus plenty of small little absurdities that amuse the audience. Near the end, the film takes a sentimental turn, to its detriment. It is most enjoyable when its humor is dark, bizarre, and exaggerated. It also has the now standard Serb stereotypes: wild, trigger-happy, madmen criminals abound here. Worth a watch: there are some nice laughs to be had and scenes to be remembered.

With the main co-production company being Bulgarian and directed by popular Bulgarian film director Georgi Stoev, *Fly By Rossinant (2007)*, a musical film comedy, has much to offer to audiences in terms of exhilaration, humor and excitement. *Rossinant* is the name of a disused retro-bus on which an opera company is traveling across Europe. Some of the popular present-day Bulgarian actors and actresses, led by the celebrity Itzhak Fintzi, bring utmost delight to film lovers by reducing them to tears.

“Even some of the popular Bulgarian people of art were fragmentarily shown in the movie in order to add up to the incredible atmosphere, exuding artistry, affinity for music and love, famous Bulgarian veteran comedian Tatiana Lolova says.

The music to the film is in a way one of its protagonists – it is an inspiring mixture of several styles, written by the world-famous Serbian composer Goran Bregovic, who combined author’s compositions of his with motifs of classical music pieces and Balkan folklore. The film is actually a Bulgarian, Serbian and Austrian co-production.

An extremely well told story we can find in *The Trap (2007)*, a movie that explores the father’s dilemma and the subsequent events. The photography is wonderful, at times a little claustrophobic, and the acting superb. All the way through the story is used to highlight elements of post-Communist, post-war, post-Milosevic Serbian society, and the

“moral and existential desert” that exists in a country still trying to find normalcy six years on from the events that removed Milosevic from power.

The director and scriptwriters have produced a film that is as suspenseful as the best thriller but makes very serious points about a society in transition without being overbearing or too “worthy”. Basically it is a great story that captures the atmosphere and reality of the country it plays in, entertaining and thought-provoking in equal measure.

Mladen will be transformed from a nice guy that was doing his best to survive in difficult period together with his family, in a much closed person who committed a crime and feels guilty. Because of that he will isolate himself from the person that loves the most: his wife and his son. Being frustrated and feeling ashamed for what he did, he is also becoming violent (he tears apart things in the apartment). In a culminating scene of genuine tension, he bursts into Milos' over-furnished house and turns on him like a vicious animal, driving home the theme of collapsing moral values.

Other nice touches highlight the bizarre social universe of Belgrade, where expensive SUVs roam the streets beside rusty tin cans from the Socialist era, and where one little boy begs his parents for a mobile phone on his way to school, while a child his age begs for money at traffic lights. These acutely observed details beam a sharp image of life in today's Serbia.

We are returning now to music, that became simply unforgettable in *Love Fair in Gucha/ Guca, distant trumpet (2006)*. This is the first movie that seriously involves Gucha into plot. Guca, a small town in western Serbia, is well known for its folk trumpet festival. The cinematography and editing of this movie are outstanding - the hills and orchards of the region are a sumptuous backdrop to a very sweet, and encouraging, together with the story that reminds us Kusturica's *Black Cat, White Cat*. The love story between Juliana, a 16-year-old daughter of the greatest Serbian trumpet player, Satchmo Trandafilovic, and, Romeo, a promising trumpet player from a Roma orchestra, bring us into light the life, the habits and the amazing music. This is nice, simple love story,

placed behind the scenes of big festival. The movie has the power to joy up the viewer, without big intentions. Watching it, the one can feel cultural difference between Serbian and Gypsy folks and to be part of one of the biggest folk festivals in Serbia.

The last movie tells also a love story between Martin, a Serb, and Ruza, a Croat. The main protagonist of the movie *Woman without a body* (2008), is a character that has the power to connects all parts of this movie. He is not a “Hamlet type” character whose presence in the movie is marked by his moral and other doubts. Before the beginning of the story Martin solved most of the doubts he had. The only remaining doubt is in his relationship with friends. What is impossible to show through the screenplay is the developing relation between Martin and Ruža. On the level of looks, their mutual affection should grow from scene to scene till the culmination of their relationship in the final common scene. However, Martin is characterised by the awareness of the shortness of his life and a task that the main female character of the movie is happy after all.

From these presentations we can conclude that Serbian movies supported by Eurimages Fund in terms of co-production and distribution, have some common features: the need to depict the psychological wounds of the war, love and reconciliation being an important healing factor for all conflicts happened to this “powder keg”²² of Europe.

So, every movie has universal cinematic elements (love, war, family conflicts), but has also a special touch that enrich the European film market (music, landscapes, the way to solve conflicts through laughter, ethnic conflicts, the absurd of the situations).

The short analysis generated above meant to give a general picture of Serbian movies (and one Bulgarian one: *Fly by Rossinant*) that got Eurimages support and what imagine of Serbia is promoted through these artworks.

²² Another name of the movie *Cabaret Balkan* is *Powder Keg*.

VI.

Their impact: national and international

The beauty of one movie is its impact on the one who has seen it. This impact and its success can be analyzed and registered by the number of chronicles, reviews about some movie (press clippings), participations and awards received at film festivals, national or international, or by the admissions number to cinemas. The last item is not a compulsory element in our case because Serbia (like many different Balkan countries) is one country where cinema theaters are not very developed and still the piracy problem is not effectively solved. But there is another kind of impact that can't be properly quantified and it is more related with the simple people in the audience, that are not producing any review or chronicle about some movie, but they are spreading the word about it.

At the psychological level, the impact can be the change of one's perspective about Serbia, its people, their way of living, the problems they are faced with, the movie contributing for the creation of another image of Serbia, well or badly told. The value of one movie is first of all related with the perspective that the director wants to create about realities of the country. But there are also movies, and now we are also referring to *The Trap*, where these realities can be also present in many other countries beside Serbia. The misfortune of Mladen, the main character in *The Trap*, can be found also in Romania, Bulgaria, Croatia or Macedonia.

Chronicles and reviews

Even if all of them received Eurimages support, there are different stages of recognition at the national and international level. For example, *Guca, the distant trumpet* was very well received at the national level (this can be proven by the large number of press clippings), but hasn't so much international recognition. The movie tells a love story in the context of one very famous music festival in Guca and it is full of national elements.

The other case, *The Trap*, was very well received internationally because the story tends to be psychologically driven and the subject is universal, can be found anywhere, it is not focused on national specificities.

Chronicles and reviews should be well connected with the distribution system because there are cases when reviews are written but the readers are not able to see one movie just because it isn't distributed in that region.

Participation at the festival and prizes

“Formerly a showcase for the different national filmmaking practices exhibiting their best jewels; festivals become the intermediary of an uninterrupted circulation of another idea of cinema than that favored by the market. Beyond the numerous differences (in length, subject and tone) between the various festivals, they constitute a planetary network where a different kind of cinema is possible. Cannes, the preeminent festival in the world, plays an important role both as a model for others and as a particularly powerful echo chamber, indeed as an anchoring point of initiatives, of which it isn't always the first to be in the know, but to which it lends a supplementary weight, beyond that of simply showcasing films.”²³

Festivals gather a specific audience and they represent an immense opportunity for the films to be recognized and appreciated. The festival prize represent a label that one movie can obtain and those prizes are conductors for other and other film festivals around the world. One movie can travel faster than its producer, director or actors and can present itself to the audience. One positive feedback from some festivals gives it life and helps the movie to continue its way through the audience perception.

Almost every chronicle or review uses this information of winning a prize in order to convince better its audience.

²³ Jean-Michel Frodon, “Événement. Festivals, Cultural Exceptionalism, and Globalization”, Translated by Sally Shafto, online version Cahiers du Cinema.

It is also interesting to discover which path one movie take at national and international festivals. We have data concerning *Cabaret Balkan / Bure Baruta* directed by Goran Paskaljević: at **Brothers Manaki International Film Festival** in 1998 Milan Spasic won Bronze with camera 300, **European Film Awards** in 1998 Goran Paskaljevic won FIPRESCI Prize, at **Flanders International Film Festival** in 1998 Goran Paskaljevic won Special Mention, at **Haifa International Film Festival** in 1998 Goran Paskaljevic won Golden Anchor Award, in 2000, at **Italian National Syndicate of Film Journalists** Goran Paskaljevic was nominated for Silver Ribbon Best Director - Foreign Film (Regista del Miglior Film Straniero), in 2000 **Political Film Society, USA** the movie was nominated for PFS Award for peace, at **Santa Barbara International Film Festival**, in 1999, Goran Paskaljevic won World Prism Award, at **Valladolid International Film Festival**, in 1998, Goran Paskaljevic was nominated for Golden Spike, at **Venice Film Festival**, in 1998, Goran Paskaljevic won FIPRESCI Prize Best Film, for its unique combination of humanity, humour and tragedy in reflecting the continuing Balkan trauma.

Cabaret Balkan had already international success, picking up awards at Venice and the European Film Awards, to name but two. There is much, much more of a similarly brutal nature in *Cabaret Balkan* (1998), which has broken box-office records in both Sarajevo and Belgrade.

Crna Macka, Beli Macor entered in competition at **European Film Awards**, in 1998, and Thierry Arbogast was nominated Best Cinematographer; at **Goya Awards**, in 2000, the movie was nominated for Best European Film (Mejor Película Europea); at **International Biennial for Film Music** in 1999, Dr. Nele Karajlic won International Prize for Film and Media Music; at **Venice Film Festival**, in 1998, Emir Kusturica won Laterna Magica Prize, **Little Golden Lion, Silver Lion for Best Director** and was nominated for **Golden Lion**.

At **Sofia International Film Festival**, in 2007, Srdan Golubovic won Grand Prix for *Klopka/ The Trap*.

Dejan Pejovic was nominated for Best Composer at **European Film Awards**, in 2007, and Dusan Milic won Audience Award at **Sofia International Film Festival**, in 2007, for *Guca, distant trumpet*.

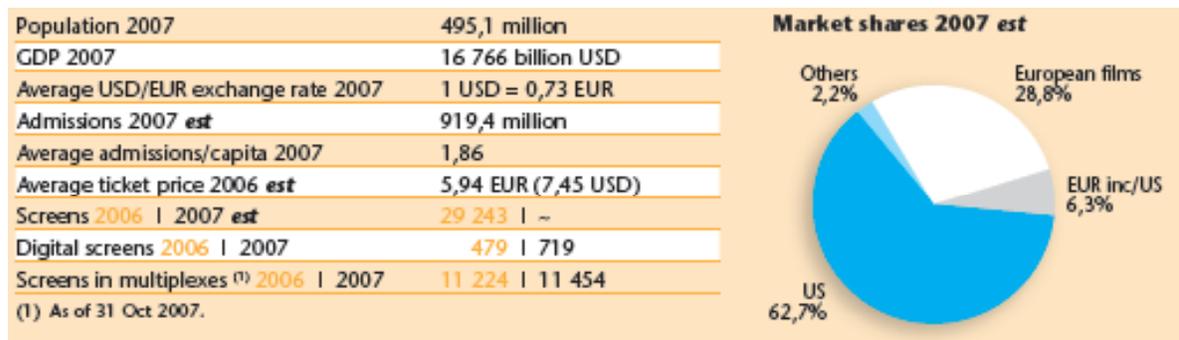
As for *Nije kraj/ The Woman without a body*, at **Pula Film Festival**, in 2008 Ivan Maloca won Audience Award "Golden Gate Pula" Best Film, Leon Lucev Golden Arena Best Actor in a Supporting Role, Mario Ivezic won Best Art Direction, Zeljka Franulovic won Best Costume Design, Sandra Botica won Best Editing.

But there are several movies that stayed more local and the producer or the distributor wasn't focused on sending the movie to international festivals. Here I'm referring to *Fly by Rosinnant*, we have found articles in Bulgarian and Serbian about the movie, but is not mentioned its participation at some competition. For the impact to be properly measured, the delegate co-production company, in our case of Eurimages Fund for co-production, each movie should have a file also after its release in order to register the life of the artwork. In some special way, it is about having a product that is released on the market and the co-production company should be focused on following the path for attracting the right kind of audience.

VII.

Future Trends in Serbian Movie Industry

The future trends in film industry and at the level of film market, Serbia will be very much influenced by the situation in European Union in this matter. From the data available²⁴ in 2007 we can observe that European film production continues to grow:



The European Audiovisual Observatory estimates that a total of 921 theatrical feature films were produced in the 27 member states of the European Union in 2007. 711 of these were entirely national productions and 210 international co-productions. This data includes for the first time production figures from the two new EU member states, Bulgaria and Romania, and has been adjusted accordingly for the period 2003 to 2007. Based on these adjusted figures, European production levels have increased by 1.1% year-on-year and by an annual average of 5.1% since 2003. Overall growth was primarily the result of rising production volumes in France (+21), Spain (+12) and Italy (+7).

Serbian productions will grow also given the fact that more and more producers received experiences and are professionals in this field and we can observe that they became also interested in promoting their movies at the international film festivals. For the Serbian case, as for other countries in the Balkans, participation at international film festivals will continue to be a step forward for the life of one movie to be screen, awarded even, and put in a distribution line when it can be shown all around the world.

²⁴ Source: OBS/ECTA/NPA Council

Admissions fall back slightly

After a recovery in 2006, admissions in the European Union decreased slightly, falling by 1.3% from 932 million to 919 million in 2007. Results differed significantly across the various territories. Among the five major markets the United Kingdom and particularly Italy stood out. According to estimates from Centro Studi ed Analisi di Cinecittà Holding the Italian box office experienced a phenomenal year, growing 13% to a record 120 million admissions.

In the United Kingdom cinema attendance rose by 3.7% to 162 million tickets sold. Improving on early estimates the Spanish market registered a decline of -3.9%, while admissions fell by 5.9% and 8.2% in France and Germany respectively. While cinema markets in Western Europe – with the exceptions noted above – were generally facing regressive attendance figures, audience interest was growing in more recent EU member states. This trend was demonstrated by the Czech Republic, where cinema attendance increased by 11.4% driven by strong local films, and Lithuania (+34%).

Increasing demand for European films

European films achieved a provisional estimated market share of 28.8%, up from 28.6% in 2006. The most successful European films were *Mr. Bean's Holiday*, attracting an audience of over 15.2 million people, followed by French multiple prize winner *La Môme*, which sold 7.2 million tickets. All top 5 European films traveled well, generating 62% of their total admissions outside of their home countries. Strong national performances from films like *Manuale d'amore 2* and *Natale in crociera* (over 3 million admissions each) in Italy or *Katyn* (2.7 million) in Poland also contributed significantly to European market share. Films produced in Europe and benefiting from incoming US investment, such as *Harry Potter and the Order of the Phoenix*, increased their market share from 5.2% to 6.3%. Market share for US films including US films considered as inward investment films in Europe, decreased from 63.5% to 62.7%.

Data provided by Year Book of the Republic of Serbia is showing us that the attendance for domestic films was 28.5% and for foreign films was 71.5% in 2006. But we can observe that in 1980, in Yugoslavia, it is registered the highest number of domestic films attendance, 4.845.000, as for the foreign films, 25.519.000.

23.12. БИОСКОПИ		CINEMAS							
	Биоскопи <i>Cinemas</i>	Седишта <i>Seats</i>	Представе <i>Performances</i>			Посетиоци, хиљ. <i>Attendance, thous.</i>			Посетиоци на 1000 становника ¹⁾ <i>Attendance per 1000 population¹⁾</i>
			укупно <i>Total</i>	домаћих филмова <i>Domestic films</i>	страних филмова <i>Foreign films</i>	укупно <i>Total</i>	домаћих филмова <i>Domestic films</i>	страних филмова <i>Foreign films</i>	
РЕПУБЛИКА СРБИЈА / REPUBLIC OF SERBIA									
1947	296	88694	84324	5120	79204	19045	168	18877	333
1980	518	176450	196612	23814	172798	30464	4845	25619	365
1990	370	139327	126373	10341	116032	7575	1228	6347	843
2002 ²⁾	156	65213	81101	12542	68559	4129	1255	2874	583
2003	149	60559	79606	12375	67231	3056	562	2494	431
2004	152	62376	78859	16651	62208	2795	893	1902	394
2004	127	54174	68663	15054	53609	2243	662	1581	436
2005	148	58957	63503	13672	49831	2099	955	1144	299
2006 ³⁾	120	48398	59173	11495	47678	1720	490	1230	247
Централна Србија / Central Serbia									
2006	98	41528	51164	9857	41307	1461	407	1054	287
Војводина / Vojvodina									
2006	22	6870	8009	1638	6371	259	82	176	137

¹⁾ На број становника старијих од пет година.

²⁾ Од 2002. без података за Косово и Метохију.

³⁾ Претходни подаци.

¹⁾ Per population number over five years of age.

²⁾ Since 2002 Kosovo and Metohia data excluded.

³⁾ Preliminary data.

In Serbia it will be a growing audience interest, like other countries with strong local films like Czech Republic or Lithuania, but we expect also for this country to resolve copyright problems and to be and increasing demand for cinema theaters. It is also expected that the market share for European Film will grow in Serbia because the demand of the audience increased due to the cultural policies in Serbia to open up for the European realities and a future entrance for Serbia in European Union.

Increasing number of VOD services in Europe

The number of VOD²⁵ services increased by 116 new services, contributing to a total of 258 active services accessible via 293 different platforms at end 2007. France, the Netherlands and Germany were the leading countries in terms of services available.

Free on-demand content financed by advertising and subscription-based VOD has emerged as popular business models. According to ECTA, EU average broadband penetration per capita was 19.9% at end of September 2007. Consequently, this VOD services is to be expected to emerge and develop also in Serbia in the following years.

The development of film market in Serbia will be very much connected with the overall development of the country and the influences that come primarily from European film industry. An optimistic thought, after watching so many great Serbian movies and was amazed by them, will be that Serbian Film Industry will be supported in the future by a practical legislation and it will manage to gain its place in the overall European film market. That special touch I was writing in the first chapter will succeed to be shown, with the help, of course, of professionals in the field and with the creation of an armonised film policy that is adapted to the country specificities.

²⁵ VOD = “Video On Demand”

VIII.

Conclusions

In respect to the information that I acquired on the issues of mechanisms of financing the film industry through the readings, researches, analyses of the data, discussions and interviews, performed in the course of the last six months, in this chapter I would present my final observations.

The film industry is a bit extensive issue composed of different film related activities, whose functioning depends on the overall socio-political structure in one country, the level of economic development and market orientation, the national cultural policy as well as on the international agreements and regulations that the country has accepted by being a part of bigger economic and cultural community. Taking in consideration all these relevant factors I have tried to create a structure of my research paper (MA Thesis) that would enable chronological and comprehensive knowledge of what is film industry, how it has been regulated on national and supranational level, which are the positive effects of its well functioning and what kind of mechanisms exist/ or should be introduced to support its further development.

In general, Serbia have several things in common with the other countries in the Balkans (Croatia, Macedonia): no firm legal base that regulates the overall audiovisual sector, difficulties in establishing sustainable continuity of their national film productions, insufficient technical infrastructure, budgetary financing of audiovisual activities, non-functioning of their national film markets, destroyed national cinema networks etc. However, all of them are working on creation of national systems for support and proper development of their film industries.

With all these existing problems, Serbia proved to have a strong national cinematography that managed to function in the terrible years of war and conflicts. Some movies that

were into focus in this paper, like *The Trap* or *Cabaret Balkan*, are like a mirror that shows and transforms in the same time, a sad reality.

In this matter, Eurimages Fund helped a lot Serbian Film Industry not only supporting co-production activities, but also distribution networks. For production, Eurimages Fund is already a label for participation at European festivals, as for distribution, this matter has to ways in which it can be analyzed. First of all, Eurimages Fund gives support that European movies can be screened in national cinemas and secondly, Eurimages Fund help a movie that got its support for co-production activities, also for distributing after its release.

Through this collaboration with an European Body, Serbia succeeded in producing quality movies that were well received also at the international level. Eurimages Fund establishes also a dialogue between co-producers from different states, this action contributing to the team members to know how to work as professionals at the international level.

The duality of film nature being in the same time cultural and market good was very inviting for me. Each state on national level is trying to find solution how to incorporate these two opposite characteristics and make them function synergistically in order to obtain double benefit; promoting the country's specific culture expressed thorough the moving images and increasing the economic effects through exploitation of domestic film production on national and international audiovisual markets. In this respect, I began my research in seeing Serbian movies in order to obtain an overview of the film industry in history, after that I continued with observation and analysis of the EU Film Policy and its challenge to combine the audiovisual dichotomy (cultural/ economic) and to create legal bases that will improve the competitive capabilities of the audiovisual industry with respect to its cultural dimension.

However, the creation of a functional system could really improve the working of the film industry. Under the expression "functional" I mean system that would follow the

European practice but in the same time not forget the specific country conditions. Only this way can be improved the functioning of all film industry sectors that are unbreakably connected and reflect one to another.

To sum up, the long transitional period and ineffectual process of privatisation caused many unfavorable effects to Serbia. This influenced all public sectors including culture. The country is trying to rearrange its overall state policy and improve its economic situation. These preconditions influence the level of development of film industry. The process of establishing a solid and sustainable developmental base is hard.

Despite all the problems faced by a country, and society, in transition, Serbian movies have permanently managed to generate an impact not only to Serbian audience, but also to an international one, having a special touch and presenting important and diversified values in the film market. Their presence and important prizes at many and trustworthy international film festivals proved their value and the ability to remain a particular mark in the film history. But through time, Eurimages, European Fund for supporting cinematography, has given financial aid to many Serbian co-productions and distribution companies. Therefore, this fund managed to attain its objectives: **cultural**, by promoting Serbian culture and society, by supporting great ideas to be achieved, and also **economical**, by giving support and credential for a further development of the Serbian film industry, in our case. But still, Eurimages Fund is not supporting the initial project and demand for powerful background of the director, artistic crew, production crew etc., it is a fund that relies on the capability of co-production team to seek and obtain other major sponsorships for their production.

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