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ON CINEMATOGRAPHY

I GENERAL PROVISIONS

Article 1

Cinematography, for the purposes of this Law, includes the activities of film production, circulation, copying, lease for use, and public presentation.

A film may be recorded, for the purposes of this Law, on any media from which audio-visual reproduction can be performed.

Article 2

The business activity of film production, circulation, copying, lease for use, and public presentation, may be pursued by legal and natural persons, on the terms prescribed by this Law.

Article 3

Activities of general interest related to the cinematography include production of films of significance for the development and promotion of the culture of the Republic of Montenegro (hereinafter: the Republic), produced films presentation in the country and abroad, cinema network modernization and extension, audio-visual communications development of, and providing support for young talents in the area of cinematography.

The funds for the implementation of the activities of general interest shall be provided from:

- Contributions of stakeholders;
- Budget of the Republic; and
- Other sources (sponsorships, donations, sales of films, etc).

Article 4

The funds from the budget of the Republic shall be provided through the Republic administrative authority in charge of cultural issues, based on the annual program adopted by the Government of the Republic.

Users of the funds referred to in paragraph 1 of this Article shall be under obligation to report to the Republic administrative authority in charge of cultural issues with regard to the funds used.

About the manner of using the funds referred to in paragraph 1 of this Article, the Republic administrative authority in charge of cultural issues shall report to the Government of the Republic on monthly basis.

Article 5

Provisions of this Law do not apply to production, circulation, copying, lease of use and public presentation of the films produced by the companies, institutions, and other legal persons for their own needs and with the aim of furthering their performance and occupational safety, to the information films and the films produced by natural persons for their own needs, unless otherwise provided by this Law.

II FILM PRODUCTION

Article 6

Film production includes preparing for recording, recording, and processing of the films intended for public presentation.

Article 7

In order to pursue this business activity, a producer of domestic films is required to have:

- Annual film production program;
- Suitable professional staff;
- Available appropriate equipment and premises; and
- Available funds for commencement of activity.

More detailed regulations about the requirements referred to in paragraph 1 of this Article shall be defined by the Republic administrative authority in charge of cultural issues.

Article 8

Domestic film producer shall be entered in the court register based on the approval of the Republic administrative authority in charge of cultural issues.

Article 9

Domestic film producer may produce films with film workers from our country or in cooperation with a foreign producer.

Article 10

Domestic film is deemed to be a film produced by one or more than one domestic film producers with prevailing participation of film workers from our country.

Domestic film is also deemed to be a film produced in cooperation with a foreign producer in Serbian language, provided the domestic films producers participated with at least a third of the funds in total film production costs.

Article 11

Film produced in cooperation with a foreign producer, from a country with which there exists a bilateral agreement on film related cooperation, shall be deemed to be domestic if it complies with the requirements envisaged in such agreement.

1. Film recording by a foreign producer

Article 12

Foreign producer may, on his own or in co-production with a domestic film producer, record a film and TV series in the territory of the Republic based on a special approval.

Approval referred to in paragraph 1 of this Article shall be issued by the Republic administrative authority in charge of cultural issues, based on the written application submitted by the foreign film producer.

Article 13

Application for approval to record a film and TV series shall include the place and time of film recording.

Attached to the application referred to in paragraph 1 of this Article shall be a proposal of the film scenario in which such parts of the text according to which the film will be recorded shall be clearly marked.

Article 14

Foreign producer recording the film and TV series referred to in Article 12 of this Law on his own shall be under obligation to pay the fee.

Fee referred to in paragraph 1 of this Article is payable for a full length feature film in CSD equivalent corresponding to the amount of USD 3,000, and for a full length feature film and TV series, USD 5,000 on the day of fulfilling the obligations, and for documentary and short length film in CSD equivalent corresponding to the amount of USD 300, for each day of recording.

The funds from the fees referred to in paragraph 2 of this Article shall be considered as revenue in the budget of the Republic and shall be used for domestic film production.

III FILM CIRCULATION

Article 15

Film circulation includes the buying, reproduction, lease and exportation of domestic film, and buying, importation, reproduction and lease of foreign film.

Article 16

Film circulation shall be carried out by the distributor.

Distributor may be a legal or natural person (hereinafter: distributor).

Article 17

In order to pursue the film circulation, a distributor shall be required to have:

- Annual film importation and exportation program;
- Suitable professional staff;
- Available equipment and premises; and
- Available funds for commencement of activities.

Detailed regulations with regard to the requirements referred to in paragraph 1 of this Article shall be adopted the Republic administrative authority in charge of cultural issues.

Film exportation and importation may be pursued by the distributor, provided he is registered for pursuing the activity of foreign trade.

Article 18

Distributor shall be entered in the register.

1. Film Copying and Renting

Article 19

Legal and natural persons may copy domestic and foreign films to video tapes (video cassettes) and lease such films for use, provided they have purchased the copyrights and are registered for pursuing this business activity.

Article 20

Legal and natural person may lease for use the domestic and foreign films recorded on video tapes (video cassettes), provided:

- They have concluded a contract with the company, institution, or other legal person authorized to copy films on video tapes and lease them for use;
- They have available suitable premises; and
- They have available the required equipment for carrying out these activities.

The contract referred to in paragraph 1, indent 1, of this Article shall describe the level of the fee for the assigned right to use a particular film, the period of film use, number of copies of the film (video cassettes) that are leased, etc.

IV PUBLIC PRESENTATION OF FILM

Article 21

Public presentation of the film shall be deemed to be any presentation of the film that is accessible to general public on equal terms and in public premises, namely public area.

Presentation of the film on television and in the means of public transportation shall be deemed to be public presentation.

Article 22

In order to have a film presented in public, a legal or natural person shall be required to have:

- Available suitable premises;
- Necessary equipment for carrying out such activities; and
- Approval for public presentation of the film.

The Republic administrative authority in charge of cultural issues shall prescribe minimum technical requirements with regard to the premises and equipment for presentation of films.

Article 23

Legal or natural person pursuing the public presentation of film shall be entered in the register.

Article 24

Approval for public presentation of a domestic film shall be issued by domestic film producer.

Approval for public presentation of a foreign film shall be issued by the distributor who has imported the respective film.

Article 25

Provisions of the Law that regulates the business activities pursued by natural persons who invest their own labor and funds, concerning the licensing procedure for pursuing the business activity, the signage, entry in the register, suspension and termination of business activity, shall *mutatis mutandis* apply to pursuing the business activity of public presentation of films, copying of films on carriers, distribution of films, and leasing of films for use.

V STORING OF FILMS AND FILM MATERIAL

Article 26

Producers of films and other film material shall be under obligation to provide for their permanent storing.

Article 27

Producers of the films intended for public presentation shall be under obligation to, within 30 days from the beginning of film exploitation, notify the Yugoslav Cinematheque (hereinafter: the Cinematheque) about it and deliver the best copy of each film that was produced to be stored, accompanied with related documentation.

A distributor who imports the film shall be under obligation to, upon expiry of the film license, immediately deliver the best copy of each imported film to be stored in the Cinematheque.

Copy of the imported film shall not be delivered to be stored if so provided by the contract on procurement of the film or an international agreement.

Article 28

Inspection control over the activities of video clubs shall be carried out by the Republic administrative authority in charge of trade issues.

VI PENAL PROVISIONS

Article 29

A person pursuing a business activity without the approval of competent authority shall be fined with _____ for such offence (Art. 8 and 18).

For the offence referred to in paragraph 1 of this Article, the responsible person in the legal person shall be fined with _____.

For the offence referred to in paragraph 1 of this Article, natural person shall be fined with _____.

***) Note: the fines were not adjusted to 27/94.
See Intermex annotation**

Article 30

Foreign producer which in the territory of the Republic records a film without the approval, or contrary to the approval, shall be fined for the offence with _____ (Article 12).

***) Note: the fines were not adjusted to 27/94.
See Intermex annotation**

Article 31

Legal person shall be fined for the offence with _____ if:

- 1) Copying and leasing for use a video cassette with a recorded film for which he has not concluded a contract on video rights using (Article 20);
- 2) Within 30 days after commencement of film exploitation, failing to notify the Cinematheque and failing to deliver a copy of each produced film to be stored, with the corresponding documentation (Article 27).

For the offence referred to in paragraph 1 of this Article, the responsible person in legal person shall be fined with _____.

For the offence referred to in paragraph 1 of this Article, natural person shall be fined with _____.

***) Note: the fines were not adjusted to 27/94.
See Intermex annotation**

Article 32

Mandatory fine in the amount of _____ shall be imposed on the responsible person in legal person, and natural person, if they copy and lease for use a video cassette with the recorded film for which they have not entered into a contract on video rights using (Article 20).

***) Note: the fines were not adjusted to 27/94.
See Intermex annotation**

VII TRANSITIONAL AND FINAL PROVISIONS

Article 33

The Republic administrative authority in charge of cultural issues shall pass the regulations envisaged in this Law within two months from the effective day of this Law.

Article 34

On the effective day of this Law, the Law on Cinematography ("Official Gazette of SRM, Nos. 30/73, 17/79 and 17/90) shall cease to apply.

Article 35

This Law shall come to force eight days after the day of its publishing in the "Official Gazette of the Republic of Montenegro".