

Ministry of Finance

Spokesperson Unit

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Press Release

Cinema Budget Agreement for Next Five Years Signed

Finance Ministry to Fund Cinema Industry at NIS 335 Million

NIS 45 million added to cinema budget established in previous agreement

Yesterday, representatives of the Ministry of Finance, the Ministry of Science, Culture, and Sports, and the Cinema Council signed an agreement concerning the cinema budget, under which the cinema industry will receive NIS 335 million in funding in 2009-2013, or NIS 67 million each year.

The cinema budget agreement was formulated due to the expiration of the previous agreement, signed for 2004-2008. The Cinema Council asked the Ministry of Finance and the Ministry of Science, Culture, and Sports to renew the agreement and establish a budget for the next five years. Following several months of negotiations between the Ministries and the Council, the decision was reached to add NIS 9 million each year to the budget, as compared to the budget established in the previous agreement, so that the cinema industry will now receive NIS 67 million each year – as noted above – versus NIS 58 million previously.

The cinema industry budget established in the new agreement, to be transferred via the Ministry of Science, Culture, and Sports, will be allocated based on criteria applied by the Cinema Council. Accordingly, 85% of the budget will be transferred to five cinema funds that assist in the production of feature films, documentaries, and dramas. The remaining budget will be used to fund festivals, cinematheques, and more. The internal division of the budget will be performed by the Cinema Council, which will discuss updates of the criteria for distribution during 2009.

Israeli cinema is a NIS 150-200 million per year industry. Over one hundred new Israeli films are produced each year, with the support of the five cinema funds. This represents approximately a 170% increase in the number of films produced in Israel in recent years. Further, about 200 films have been screened each year at major festivals abroad, some winning prestigious prizes. In 2008, the movie *Beaufort* was nominated for an American Oscar award; this year, *Waltz with Bashir* won a Golden Globe award and a Los Angeles Film Directors Association award. The new budget agreement will provide stability to the industry in the coming years and help expand its activity, in Israel and overseas.