

LAW 1556 9TH OF JULY 2012

“TO PROMOTE THE COUNTRY AS A LOCATION FOR MAKING FILMS”

THE CONGRESS OF THE REPUBLIC OF COLOMBIA

DECREES

TITLE I

GENERAL PROVISIONS

**Article 1. Purpose.** The purpose of this law is to foster filmmaking in Colombia, promoting the country as part of our cultural heritage for filming audio-visual movies and thereby promoting tourism and the image of the country, as well as developing our film industry.

The above in a way that is consistent with the purposes indicated by laws 397 enacted in 1997 and 814 enacted in 2003 as to the cultural film industry, and within a framework of public policy designed for the development of the film sector, associated with the fundamental purposes of the State.

**Article 2. Definitions.** The following principles apply for purposes of this law:

1. National Film: One that complies with the requirements established in decrees 358 enacted in 2000 and 763 enacted in 2009 and the rules that modify them and establish equivalencies regarding thereto.
2. Foreign Film: One that, although it is considered to be a film according to national provisions, it does not meet the requirements for consideration as a national film.
3. Film Services: specialized activities directly related to preproduction, production and postproduction of film including artistic and technical services provided by Colombian entities or persons that are domiciled and residing in the country.
4. Film Service Companies: Companies that are legally established in Colombia, the purpose of which is to provide film services, which are registered in the Registry of Film Service Providers of the Department of Culture.

**Paragraph:** Films produced for the sole purpose of being shown on television or through media other than the big screen may be included for purposes of this law in the concept of the film in accordance with the parameters established by the Colombian Film Promotion Committee discussed in Article 6 of this Law.

## TITLE II

### COLOMBIAN FILM FUND

**Article 3. Colombian Film Fund.** The Colombian Film Fund (FFC, acronym in Spanish) is hereby created as a special account in the Department of Commerce, Industry and Tourism, with funds made up by:

1. Those assigned annually in the national budget.
2. Those derived from operating and financial earnings from the Colombian Film Fund (FFC).
3. The product of the sale or liquidation of its investments.
4. Financial contributions, donations and transfers that it receives.
5. Contributions from international cooperation.

**Paragraph 1.** The administrative entity for the Colombian Film Fund (FFC) may establish independent assets with prior authorization from the Colombian Film Promotion Committee discussed in Article 6 of this Law.

**Paragraph 2.** The amount from the National Budget assigned annually for the Colombian Film Fund (FFC) shall not affect the tax limits established in budget norms and shall be considered an addition to the budget of the Department of Commerce, Industry and Tourism.

**Paragraph 3.** In accordance with Article 267 of the Political Constitution, the General Comptroller of the Republic shall engage in tax monitoring of the funds in the Colombian Film Fund (FFC).

**Article 4. Administration and Use of Colombian Film Fund (FFC).** The Department of Commerce, Industry and Tourism shall administer and use the funds from the Colombian Film Fund (FFC) through an administrative agency that, at the choice of the Department of Commerce, Industry and Tourism may be a fiduciary entity or the Proimágenes Colombia Mixed Fund for Film Promotion, created by Law 397 enacted in 1997.

**Article 5. Use of funds from the Colombian Film Fund (FFC).** The funds from the Colombian Film Fund (FFC) shall be used in the following lines of promotion of the country as a space to carry out filming activities as follows:

1. Payment of consideration discussed in Article 8 of this law, generated in contracts entered into with film producers.
2. Payment of administrative costs according to the contract or agreement entered into for management and use of the Colombian Film Fund (FFC).
3. Investment in activities for promoting Colombia as a location for filming

**Article 6. Colombian Film Promotion Committee.** The Colombian Film Promotion Committee (CPFC, acronym in Spanish) is hereby created as the administrative agency for the Colombian Film Fund (FFC), which shall be in charge of:

1. Approving the assignment of funds manual and the contracting manual that shall be followed by the administrative entity for the Colombian Film Fund (FFC).
2. Approving the budget for administrative and control expenses.
3. Approving Colombian film projects and entering into the appropriate contracts between the administrator and film producer.
4. Approving projects to promote the country for carrying out film activities and as a film location and deciding on its performance.
5. Approving of its own regulation.

**Article 7. Composition of the Colombian Film Promotion Committee.** The Committee shall be made up by:

1. The Secretary of Commerce, Industry and Tourism, who shall preside it.
2. The Secretary of Culture.
3. The President of Proexport.
4. Two representatives with a broad background in the film industry appointed by the President of the Republic.
5. The representative of the producers in the National Counsel for the Arts and Film Culture (CNACC, acronym in Spanish).
6. The Film Director for the Department of Culture.

**Paragraph 1.** The Secretaries may delegate their representation to a deputy secretary and the Secretary of Commerce, Industry and Tourism to the Deputy Secretary of Tourism. The other members may not delegate their participation.

**Paragraph 2.** In the absence of the Secretary of Commerce, Industry and Tourism, the Secretary of Culture shall preside, and in the absence of these, the Deputy Secretary of Tourism of the Department of Commerce, Industry and Tourism shall preside. In any event, the Committee may not hold a session without the participation of the Department of Commerce, Industry and Tourism or of the Department of Culture.

**Paragraph 3.** The Director of the Proimagenes Colombia Mixed Fund for Film Promotion shall be a permanent assistant and shall participate with a voice but without a vote.

**Paragraph 4.** The members of the Committee may not access funds from the Colombian Film Fund (FFC) on their own or through anyone else.

### TITLE III

#### COLOMBIAN FILM CONTRACTS AND CONSIDERATION

**Article 8. Colombian Film Contracts.** Once the filming project is approved in Colombia by the Colombian Film Promotion Committee (CPFC), the administrative entity for the Colombian Film Fund (FFC) shall enter into respective Colombian Film Contracts, to be paid out of the Colombian Film Fund (FFC), with the legal entities who as film producers shall carry out the full or partial filming of the films in Colombia, upon complying with the requirements established in the allocation of resources manual.

**Paragraph.** Projects may only be approved if the film producer shall invest at least one thousand eight hundred current monthly minimum wages (1,800 SMLMV, acronym in Spanish) in the production in Colombia. These funds shall be administered in a trust administered by a trust company that is supervised by the Department of Finance, that the respective producer shall establish and pay for.

**Article 9. Consideration.** The production companies for films made totally or partially in Colombia which enter into Colombian Film Contracts shall have a consideration equal to forty per cent (40%) of the value of the expenses incurred in the country for film services contracted with Colombian film service companies and twenty percent (20%) of expenses for hotels, food, and transportation, as long as the conditions established in the manual for allocation of resources are complied with.

**Paragraph 1.** Production companies for national films may or may not enter into contracts through Colombian film service companies.

**Paragraph 2.** The film owner or producer must fully guarantee rights and benefits contained in Colombian legislation to personnel that is contracted or connected to the country through work.

**Article 10. Recognition and Payment of Consideration.** The consideration mentioned in the above article shall be recognized for production companies in accordance with the Colombian Film Contract signed in the terms established in this law when the production or postproduction commitments of the film in

Colombia cease. To that end, the production company shall present a request for recognition of consideration in the Colombian Film Production Committee (CPFC, acronym in Spanish), through the administrative entity for the Colombian Film Fund (FFC), based on the expenses incurred in the country, with the documents established in the allocation of funds manual.

**Article 11. External Audit.** The Administrative Entity of the Colombian Film Fund (FFC) shall carry out the respective reimbursement upon verifying compliance with contractual obligations and requirements established in this law, and upon receiving a favorable determination by the external audit contracted by the producer.

**Article 12. Responsibilities.** In the event that the payment of consideration is by any means determined to be fully or partially inappropriate, the producing company shall be jointly and severally liable for this with the film service companies according to certificates issued, and the external audit company that issued the favorable determination regarding the appropriateness of consideration. (Note: explain the elimination of trust companies)

**Article 13. National Projects.** Nationally produced or co-produced films may opt to request access to promotion mechanisms established in this law, or those included in Law 814 of 2003, but not both. The applications indicated in said laws shall establish conditions for the funds in each system to be completely independent from each other.

## TITLE IV

### FINAL PROVISIONS

**Article 14. Foreign Technical and Artistic Participation.** Foreign income shall be considered to be revenue earned by artists, technicians and production personnel that do not reside in the country, when there is no contract and no payments generated by their participation in foreign film that have a certification issued by the Film Administration of the Department of Culture that said project is registered in the film registry are made in the country.

**Article 15. Film Registry.** The Film Administration of the Department of Culture shall adapt its film registry system to incorporate the matters covered by this law.

**Article 16. Special Visas for Film Talent.** The Department of Foreign Relations shall have a special system for admission of foreign production, technical and artistic personnel in order to carry out foreign film production projects without the need to issue work visas. The accreditation of a medical assistance service for the duration of their stay shall be required.

**Article 17. Ease of Procedures.** Filming audiovisual films in public spaces or public use zones is not considered to be a public performance. Therefore, the permits required to those ends in the country's agencies, the requirements, documents and generally the precautions required for carrying out public performances shall not be applicable.

The country's agencies through the municipal and district mayor's offices and provincial governments, in developing the principles of easing procedures, should have a unified permit that integrates all of the authorizations or requirements necessary in the case of audiovisual filming in public spaces or public use property under their jurisdictions.

**Article 18. Validity and Revocation.** This law shall enter into effect from the moment of its publication for a period of ten (10) years and revokes all contrary provisions.