

Draft

NATIONAL FILM POLICY OF BHUTAN



Department of Information and Media
Ministry of Information and Communications
Royal Government of Bhutan

“The State shall recognize culture as an evolving dynamic force and shall endeavor to strengthen and facilitate the continued evolution of traditional values and institutions that are sustainable as a progressive society. Parliament may enact such legislation as may be necessary to advance the cause of the cultural enrichment of Bhutanese society Constitution”

- The Constitution of Bhutan Article 4. Section 2 and 4.

1. RATIONALE

The film industry in Bhutan boomed within a short span of time, churning out about 30 films a year by 2010. However, its growth remained quantitative without substantial improvement in the craft of filmmaking and storytelling. More importantly, the industry was growing in the absence of a national policy and vision for the development of the audio visual media.

Concerned that the film industry would stagnate, His Majesty the King, in an audience granted to the members of the film fraternity in 2010, commanded that proper development plans be charted out. Accordingly, two studies to assess the status of the industry were commissioned by the royal secretariat.

The reports of the assessment studies recommend, among others, the formulation of a national film policy. The reports further state that the film industry has the potential to grow into a “socio-cultural industry” capable of producing films that can engage the society in meaningful debates and discussion, forge national identity, and brand Bhutan internationally.

The film industry indeed is vital for Bhutan, a nation in pursuit of Gross National Happiness. The benefit of a strong film industry can be enormous on all the four pillars of Gross National Happiness: sustainable economic development, preservation and promotion of culture, conservation of environment, and good governance.

Bhutan has a huge potential for film content. Its exotic locations and rich cultures and traditions provide a unique and rich story world to both Bhutanese and foreign filmmakers. A strong film industry can earn enormously from export of Bhutanese films and sale of locations to foreign filmmakers in a sustainable manner.

A small nation sandwiched between two giants, Bhutan has consciously preserved and promoted culture as a way of strengthening its identity and sovereignty. But preserving culture has become difficult in this age. Film is the most powerful contemporary art that has not only the ability to preserve and promote culture but rewrite the past and imagine the future as well. Film can, as along with other arts and humanities, offer unique perspectives on society that differ from those offered by governance discourse and economic argumentation. In Bhutan the two latter currently outweigh those of the arts and humanities and strengthening film art will improve the balance. Bhutan has a political elite and an emerging business environment. Strengthening the film sector will develop a creative and artistic capacity to balance these.

A focus on developing film will have an effect on the development of other art forms in Bhutan, because film already is a composite art form that includes drama, music, visual design, fiction writing etc. Even more so, the paradigm of understanding film as a dynamic contemporary cultural expression can and will be adopted in other arts.

Filmmaking is environmentally friendly. It has no negative impact on the environment and films can promote understanding of environmental issues.

In addition, a strong film industry can change the national mindset. Bhutan will never achieve the goal of Gross National Happiness even if all the four pillars are achieved without a change in the national mindset. The film industry can take on bigger mandates and shoulder bigger responsibilities, but it needs to be nurtured and strengthened through a sound national film policy.

It is also important, in the interest of developing a creative section of society, that the industry remains free of political and commercial affiliation.

2. CONTEXT

Although the Bhutanese now have increasing access to international content, a recent report on Impact of Foreign Content in the Media, DOIM 2010 concludes that Bhutanese prefer locally produced content, but the quality has to improve. Film has a popular base in Bhutanese society, but there are serious limitations in the nature of films produced and what they offer audiences. Most Bhutanese films build on tried and tested genre formulae from foreign films. There is a lack in exploration of culturally diverse stories and an equal lack in narratives that build on national storytelling traditions.

A crucial factor in limiting creativity in Bhutanese film, is that there is no film school and only very little and uncoordinated film training. Another impediment to creative innovation are the current systems of obtaining permits and of reviewing, which create artistic and economic insecurity for the film sector and has led to filmmakers 'playing it safe'.

Until recently the film industry was financially stable, but in the recent years the economy of the industry has deteriorated. Funding for feature films from private investors is drying up, leading to the recent fall in number of productions. Documentaries, shorts and series are commissioned by ministries, BBS or CSOs but with very low budgets. Unlike other countries, no other sources of financing are available. Piracy of films and lack of a film studio also put strains on the economy of the film industry.

It is likely that the industry will be challenged in the future by foreign films, most likely from Hollywood, Bollywood or Korea. Film is part of a global culture and entertainment industry and smaller countries need to assert themselves in order to be an active producer of culture and avoid becoming a passive recipient.

It is stated in UNESCO's Universal Declaration on Cultural Diversity "In the face of the current imbalances in flows and exchanges of cultural goods and services at the global

level, it is necessary to reinforce international cooperation and solidarity aimed at enabling all countries, especially developing countries and countries in transition, to establish cultural industries that are viable and competitive at national and international levels... Market forces alone cannot guarantee the preservation and promotion of cultural diversity, which is the key to sustainable human development. From this perspective, the pre-eminence of public policy in partnership with the private sector and civil society, must be reaffirmed” (2001, Article 11 – Building partnerships between the public sector, the private sector and civil society)

International collaboration is an efficient way to improve filmmaking skills in Bhutan, to attract international investment in the film sector and to open up foreign markets for Bhutanese films, as prescribed in EDP in terms of facilitating participation in international markets. It is important, though, to build international ties in ways that safeguard Bhutanese filmmakers’ interests and GNH values. Major impediments to establishing genuine co-productions are tourist tariffs for foreign filmmakers, film being on the negative list of the FDI policy, and complex processes of obtaining authorization and permits.

Globally there has been a change in attitudes to film and to film policies. Earlier film was seen as a sector that should be regulated and contained. Increasingly film is seen as a cultural and economic asset. This is reflected in Bhutan’s EDP where film is listed as a priority growth area. In most countries this shift from a regulatory view towards a facilitating approach has led to the creation of central agencies that facilitate all aspects of film development, production, distribution, and regulation. This has resulted in tangible synergies; production and distribution of films have been aligned; acceptance of foreign film productions has been coordinated with national interests in training; and development of new types of films and efforts towards improving film literacy have been attuned.

3. PURPOSE

This is the first policy that defines the roles and responsibilities for the Bhutanese film sector. The purpose of this policy is to facilitate the growth of Bhutanese cinema into a vibrant industry of international repute that affirms and promotes Bhutan's cultural and artistic expression for the overall social and economic development of the country.

The time line to achieve the goals of this Policy shall be 2018 and will be subject to periodic review.

4. VISION

Achieve excellence in film as an art form and as a source of entertainment and build the capacity to use films in creating shared consciousness and values throughout Bhutan.

5.OBJECTIVES

- Boosting creativity and encouraging production of meaningful films
- Developing a broader range of film genres and formats to cater to all population groups
- Developing a sustainable film industry
- Branding Bhutan internationally through films
- Working towards nation-wide access to films on all platforms
- Professionalizing and organizing the film sector
- Developing film as an active employer of professionals

6. STRATEGIES

- Training and specialization for all film professions
- High quality production of features, documentaries, shorts, animation, children's films and series
- 30% market share for Bhutanese films in cinema, on DVD and other platforms
- 2-3 films Bhutanese a year reaching major international festivals and markets
- 3-4 international co-productions a year
- 60% of potential audiences in all Dzongkhags regularly watching Bhutanese films
- A film sector with 4,000 employed
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7. POLICY STATEMENTS

The Royal Government of Bhutan recognizes the need to foster the growth of films as a vibrant art form that can strengthen the values and culture and provide meaningful entertainment.

Boosting creativity and encouraging production of meaningful films:

- An assessment of training needs shall be conducted with a long-term aim of establishing a film school
- A Film Development Fund shall be established to support the production of innovative and meaningful films. The financing can be obtained from existing film endowments, donor grants and government funding
- The reviewing of films shall be restricted to certification, except for films that threaten national security
- The issuance of permits for filming shall be streamlined and coordinated by one agency
- The film industry shall ensure that women and ethnic minorities are included in suitable professional roles
- The government initiatives focusing on human resource development should view the film sector on par with other sectors

Developing a broader range of film genres and formats to cater to all population groups:

- Support the development of realist fiction, epic films, documentaries, animation, short films, films for children and series
- Research and development of Bhutanese storytelling and film styles
- Commitment from the film industry and from television to develop new formats
- Promotion of film literacy to ensure that audiences engage with new film experiences
- Ways of using films as means of strengthening Bhutanese culture, raising discussions and improving democracy should be promoted
- Formulating guidelines on the import of foreign films

Developing a sustainable film industry:

- Support the private sector in the construction cinema theatres in Dzongkhags and in major cities if required. (No – only as much as necessary. Let private sector do it)
- DRC shall review and approve long-term tax holidays for direct and indirect taxes for commercial film production companies and life-long tax holidays for non-commercial film production companies
- Broadcasters and cable/satellite-providers shall be obliged to show Bhutanese film and to co-finance the production of new films
- Intellectual Property Department shall devise a specific strategy for countering film piracy in consultation with the film industry
- The financial sector should make models for making short-term loans and credits available for film production
- The MoEA shall remove film from the negative list of FDI
- A national film studio shall be established

Working towards nation-wide access to films on all platforms

- Bhutanese films should be made accessible to all schools, libraries, community halls and ultimately on the Internet
- MoE should include the use of good Bhutanese films in school curricula and guide teachers in how to incorporate film in teaching
- An archive of all films produced in Bhutan should be established
- ICT should be used to improve access to films

Branding Bhutan internationally through films

- Promoting Bhutanese films abroad that build the image of Bhutan
- Encouraging and facilitating co-productions between foreign and Bhutanese filmmakers
- Making filmmaking for foreign companies easier in accordance with 7.5.20 of EDP and obliging foreign companies to contribute to the Bhutanese film sector in return
- Waiver of tourist tariff for certified co-productions and foreign productions
- International productions shall be assessed on the basis of whether they comply with GNH criteria and the extent to which they build the capacity of the national film sector
- An assessment of how the film industry can enter the regional, Asian and global markets shall be conducted
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Professionalising and organising the film sector

To enable Bhutan to compete in the global arena and in order to drive the visions for the film sector, the establishment of a nodal agency is a must, for example, a Bhutan Film Commission. The use of Commission in the name is a practice in the region and other parts of the world and will naturally lead to international collaboration, including membership of the Asian Film Commission Network.

There shall be a Bhutan Film Commission with the following mandate:

1. Training and capacity development:
 - a) Assessing training needs and establishing film training and education
Promoting film literacy
 - b) Distributing films to schools and community centers
 - c) Collaborating with film agencies in Asia and other parts of the world
2. Promotion and marketing:
 - a) Funding agency for films of cultural importance
 - b) Establishing a Bhutanese film archive
 - c) Granting permission to foreign productions shooting in Bhutan on the basis of GNH values and capacity building of the Bhutanese film sector
 - d) Promoting national films outside the country to festivals and sales agents
 - e) Arranging world-class film festivals and film conferences
 - f) Providing production services to foreign productions in terms of attaining permits and finding crew and locations
 - g) Establishing and managing a film studio

- h) Reaching agreements with broadcasters and cable/satellite-providers on the showing of and funding of Bhutanese films
- i) Establish a appropriate mechanism for the distribution of local films

3. Certifications and permits:

- a) Certification of imported films on the basis of audience considerations and film quality
- b) Certification of national films

Governance of Bhutan Film Commission

The Bhutan Film Commission shall be established under a Charter. It shall be managed by a board whose members are nominated by Government agencies. The board members shall represent film, media and managerial expertise. Members of the board may not be representatives of or employed by or hold a financial interest in any enterprise of which the main activity is the production, distribution or showing of films.

Sustainability of Bhutan Film Commission

- Government funding
- Royalties from film production
- Collaboration with international donors and agencies
- Film/Entertainment taxation of commercial broadcasters and cable/satellite-providers
- Payment for production services rendered to international film productions
- Payment for rental of film studio and film equipment

8. ABBREVIATIONS

BFC: Bhutan Film Commission
BICMA: Bhutan Information and Communications Monitoring Authority
BIT: Business Income Tax
DoIM: Department of Information and Media
DRC: Department of Revenue and Customs
FDI: Foreign Direct Investment
IPD: International Property Division
ISP: Internet Service Provider
MoEA: Ministry of Economic Affairs
MoIC: Ministry of Information and Communications
RGOB: Royal Government of Bhutan

*"Film" in this Policy shall mean motion pictures of any kind, irrespective of their mode of creation or showing, with the exception of television broadcasts.

9. LEGISLATIVE COMPLIANCE

This policy proposes a change in reviewing processes and the establishment of Bhutan Film Commission. It also proposes to obligate broadcasters and cable/satellite-providers to buy Bhutanese films and co-finance productions of films. All this would require an amendment in Bhutan Information, Communications and Media Act.

10. IMPLEMENTATION PROCEDURE

MoIC shall be the focal ministry for the implementation of this policy