

# LAW OF UKRAINE

## About the state support of cinematography in Ukraine

(Vedomosti Verkhovnoi Rady (VVR), 2017, № 20, p.240)

{ With changes made in accordance with Laws  
[№ 130-IX of 20.09.2019](#) , VVR, 2019, № 46, Article 298  
[№ 164-IX of 03.10.2019](#) , VVR, 2019, № 49, Article 331 }

This Law defines the principles of state support for cinematography in Ukraine, which aims to create favorable conditions for the development of film production, the establishment of transparent procedures for state funding of projects in the field of cinematography.

### Section I GENERAL PROVISIONS

#### Article 1. Scope of the Law

1. This Law shall apply to cinematographic subjects, legal entities regardless of the form of ownership, natural persons - entrepreneurs and natural persons who carry out activities related to cinematography and / or carry out production, storage, distribution, demonstration, etc. use of films and other audiovisual works on the territory of Ukraine.

#### Article 2. Legislation on state support of cinematography

1. Legislation on state support of cinematography consists of the [Constitution of Ukraine](#) , the [Civil Code of Ukraine](#) , this Law, the laws of Ukraine "[On Culture](#)", "[On Cinematography](#)", "[On Television and Radio Broadcasting](#)", "[On Copyright and Related Rights](#)", "[On State assistance to business entities](#) " and other legislative acts of Ukraine, as well as international agreements, the binding nature of which has been approved by the Verkhovna Rada of Ukraine.

2. The terms used in this Law are used in the meanings defined by this Law, as well as the [Law of Ukraine](#) "On Cinematography".

### Section II PRINCIPLES OF STATE SUPPORT FOR CINEMATOGRAPHY

#### Article 3. The purpose of state support of cinematography

1. Cinematography is recognized as a sphere of culture that is supported by the state, taking into account the purpose and principles enshrined in this Law and other legislative acts of Ukraine.

2. The purpose of state support of cinematography is:

1) creation of appropriate legal and economic conditions necessary for the development of cinematography;

2) the formation of economically self-sufficient, competitive in international markets industry of cinema, film production and other audiovisual works;

3) creation of favorable conditions and development of modern infrastructure for the production, screening and distribution of films;

4) creation of a favorable tax regime and support for the production, screening and distribution of national films in Ukraine and abroad;

- 5) increase in tax revenues due to the development of the cinematography industry;
- 6) introduction of mechanisms for attracting extra-budgetary funds, including foreign investments and funds from foreign cinematographic entities;
- 7) popularization of Ukrainian values, Ukrainian language and culture, increasing the interest of the mass audience in national films;
- 8) creation of appropriate legal mechanisms for protection of intellectual property rights;
- 9) creation of a quality educational base for the training of highly qualified specialists in the field of cinematography;
- 10) creating conditions for increasing the number of jobs, strengthening social guarantees for cinematographers;
- 11) development of material and technical base of cinematography, production, demonstration, distribution and popularization of films;
- 12) intensification of international, interstate, foreign economic cooperation and improvement of Ukraine's image on the international market as a country with a developed and highly competitive cinematography industry.

**Article 4.** Principles of state policy in the field of cinematography support

1. The principles of state policy in the field of cinematography support are:

- 1) protectionism by the state in the field of cinematography, including the production, distribution, promotion and showing of films, in obtaining investments, including foreign ones;
- 2) recognition of the development of cinematography as one of the priorities of state policy in the field of culture;
- 3) the effectiveness of support for cinematography, including the production, distribution, promotion and showing of films;
- 4) availability of state support by cinematographers;
- 5) ensuring the participation of cinematographic entities, public associations representing their interests, creative unions in the formation and implementation of state policy in the field of cinematography;
- 6) openness and transparency of state support procedures.

**Article 5.** The main directions of state support of cinematography

1. The state provides and stimulates the production (distribution), distribution, promotion and showing of national films on film, video networks, television, the Internet, etc., preservation, restoration, restoration of national and best examples of world cinematographic heritage, takes measures to return to Ukraine's national cinematographic heritage, which is located outside its borders, and also contributes to the protection of intellectual property rights.

2. State support is provided to cinematographic subjects regardless of the form of ownership, which ensure the creation (production), distribution, demonstration, advertising and promotion of national films, promotion of domestic film industry, basic and applied research, educational activities in the field of cinematography. in the manner prescribed by this Law.

3. The state supports joint production of films with foreign subjects of cinematography, application of world achievements of science and technology in production, distribution, popularization, demonstration, advertising, storage, restoration, restoration of films.

4. The state participates in the implementation of international and domestic cinematographic programs, in the organization of international and domestic film festivals, film markets, other events in the field of cinema and television and promotes the participation of Ukrainian cinematographers.

5. The state guarantees to all subjects of cinematography protection of intellectual property rights on the territory of Ukraine and other states in accordance with the legislation of Ukraine and international agreements, the binding nature of which has been approved by the Verkhovna Rada of Ukraine.

6. The state supports cinematography by creating favorable conditions in the areas of tax, customs, currency and other types of regulation.

#### **Article 6.** Basic principles and financial basis of state support of cinematography

1. State support of cinematography is carried out at the expense of the means provided for the specified purposes according to this Law, the [Budget code of Ukraine](#) , the law on the State budget of Ukraine for the corresponding year and other legislative acts. The funds received for the purposes of state support of cinematography are managed by the central executive body, which implements the state policy in the field of cinematography.

2. The central body of executive power, which implements the state policy in the field of cinematography, is the administrator of the funds of the state support of cinematography and disposes of them exclusively on the basis of the decisions of the Council on the state support of cinematography.

3. Sources of formation of means of the state support of cinematography are:

1) funds received from the Ukrainian Cultural Fund, which performs special functions to promote the national and cultural development of Ukraine;

2) funds of the State Budget of Ukraine provided by the law on the State Budget of Ukraine for the relevant year;

3) other revenues not prohibited by law.

4. Expenditures for state support of cinematography are provided in the State Budget of Ukraine under a separate budget program.

5. In addition to the sources of formation of funds for state support of cinematography, provided for in part three of this article, financial support for cinematography may also be provided by:

1) grants, gifts, charitable contributions and donations, other types of charity;

2) funds from local budgets, including local funds for financial support of cinematography on the territory of the relevant territorial community;

*{Paragraph 2 of the fifth part of Article 6 as amended in accordance with Law [№ 164-IX of October 3, 2019](#) }*

3) other sources not prohibited by law.

#### **Article 7.** Forms of state support of cinematography

1. State support of cinematography is carried out in the following forms:

1) public procurement of goods, works and services necessary for the production (creation) of documentaries, educational, animated films, films for children (taking into account artistic and cultural significance), films of artistic and cultural significance (author's films) and debut films , in the amount of up to 100 percent, including the total estimated cost of production of the film;

2) the provision of a state subsidy for the production (creation) of a film (game, animation, etc.), the amount of which may not exceed 80 percent of the total estimated cost of film

production. The obligatory condition for granting such a subsidy is confirmation by the applicant that he has the funds necessary to finance the production of the film in the amount of not less than 20 percent of the total estimated cost of production (creation) of the film;

3) the provision of a state subsidy for the production (creation) of a television film or television series, the amount of which may not exceed 50 percent of the total estimated cost of production of a television film or television series. The obligatory condition for granting such a subsidy is confirmation by the applicant that he has the funds necessary to finance the production of a television film or television series in the amount of not less than 50 percent of the total estimated cost of production (creation) of the respective television film, television series;

4) the provision of a state subsidy for the reimbursement of part of the qualified expenses incurred by a foreign subject of cinematography in the production (creation) of a film in the manner prescribed by this Law;

*{Paragraph 4 of the first part of Article 7, as amended in accordance with Law [№ 130-IX of September 20, 2019](#) }*

5) providing a state subsidy for the purchase of mobile digital complexes, vehicles to ensure the screening of national films in small towns, villages, settlements with a population of not more than 250 thousand inhabitants or electronic cinema complexes, the amount of which may not exceed 50 percent of the cost of such complexes;

6) providing a state subsidy to finance basic and applied research, as well as educational activities in the field of cinematography, including the production (creation) of films by students, study in Ukraine and abroad, etc .;

7) providing a state subsidy for the distribution and / or promotion of national films by paying in full or in part for creative meetings, presentations, premieres, advertising (regardless of the means of advertising used) and other necessary activities, including the participation of creative film groups;

8) providing a state subsidy to pay for measures to preserve, restore, restore and promote the national cinematographic heritage, return it to Ukraine if it is abroad, as well as to pay for the production of archival sets of source materials of national films that meet modern technological requirements for long-term conservation storage in the State Fund of Films of Ukraine of the archival set of source materials, source materials and film copies of all national films;

9) reimbursement to cinematographers of interest paid on bank loans received by them for the construction and / or reconstruction of buildings, structures and other infrastructure objects that will be involved in the film production process, or for the construction and / or reconstruction, and / or technical re-equipment of cinemas located in settlements with a population of up to 250 thousand inhabitants;

10) providing a state subsidy for film commissions aimed at promoting (promoting) locations in Ukraine as an attractive place for the creation of cinematographic and audiovisual products.

The list of forms of state support for cinematography in this article is not exhaustive. Additional forms of state support for cinematography may be established by the Cabinet of Ministers of Ukraine.

State support, the forms of which are defined in this article, is provided on a non-refundable basis, unless otherwise provided by this Law.

2. The objects of state support in the forms provided for in paragraphs 1-3 of part one of this article are national films, and in the form provided for in paragraph 4 of part one of this article - films that have passed the cultural test, the conditions of which are defined in [Annex 1](#) to of this Law.

State support for the production (creation) of one film (series) is carried out only in one of the forms provided for in [paragraphs 1-4 of](#) part one of this article.

*{Part two of Article 7 is supplemented by the second paragraph in accordance with Law [№ 130-IX of September 20, 2019](#) }*

The requirement of the cultural test does not apply to films for which work is performed in Ukraine and / or services are provided for the organization of production and direct production and / or animation, and / or editing and tinting work, and / or work on computer graphics (CG), including work to create effects of simulation of physical processes (VFX). For the purposes of [part one of](#) Article 10 and [Article 11 of](#) this Law, such films shall be deemed to have passed the cultural test if at least 50 percent of the persons involved in the performance of works / services on the territory of Ukraine are citizens of Ukraine.

*{Part two of Article 7 is supplemented by the third paragraph in accordance with Law [№ 130-IX of September 20, 2019](#) }*

3. The amount of funds allocated during each budget period to finance each of the forms of state support provided for in part one of this Article shall be determined by the Council for State Support of Cinematography and may be changed by its decision within the relevant budget period.

In this case, the amount of funds allocated during a certain budget period to finance forms of state support provided for in paragraphs 5-10 of part one of this article is guaranteed at least 12 percent of the amount allocated for financing all forms of state support provided for in paragraphs 1-4 part one of this article.

#### **Article 8.** Conditions for providing state support to cinematographic subjects

1. State support is provided to cinematographic entities that are included in the State Register of Producers, Distributors and Demonstrators of Films and meet one of the following criteria:

1) are producers, producers of documentaries, educational, animated and author's films, films for children's audiences and debut films;

2) are film producers, film producers or television and radio organizations (having a valid broadcasting license), which have their own or one used on other grounds provided by law, the material and technical base for the production of films (pavilions and / or equipment) and which during in the last three years prior to the date of application for state support, the production of at least two TV or movies with a time of at least 70 minutes each or two television series, the total time of all series of which is at least 400 minutes, has been completed, and state certificates have been issued for these films or series. the right to distribute and demonstrate in the manner prescribed by law;

3) are subjects of cinematography that distribute and / or show films.

State support is also provided to entities that provide higher education in the field of culture and art (cultural and artistic education), and applicants for higher education in the field of culture and art, who receive state support through higher education, as well as film commissions for relevant measures.

The establishment of additional criteria that must be met by cinematographers to receive state support, in addition to those established by this Law, is prohibited.

Peculiarities of providing state support to cinematographic entities that are not residents of Ukraine are determined by [Article 11 of](#) this Law.

The list of documents confirming the compliance of cinematographic subjects with the criteria specified in part one of this article shall be determined by the central executive body that ensures the formation of state policy in the field of cinematography.

2. In order to receive state support, cinematographic entities defined in part one of this Article shall apply to the central executive body implementing state policy in the field of cinematography with a corresponding application and submit the documents specified by this Law and other regulations adopted at on the basis of this Law.

Forms of applications, the list of documents attached to them, as well as the form of their submission (paper or electronic) are determined in the manner approved by the central executive body, which ensures the formation of state policy in the field of cinema, taking into account the requirements of this Law.

3. The subject of cinematography before the date of concluding the agreement on state support in the forms provided for in [paragraphs 2 , 3 and 5](#) of the first part of Article 7 of this Law, confirms the availability of appropriate funds in at least one of the following documents:

1) a bank document issued by a banking institution of Ukraine, confirming the availability of funds in the required amount on the bank account opened in the name of the subject of cinematography;

2) a credit agreement, a loan agreement, a guarantee agreement concluded with a bank or other financial institution, in which the amount of necessary funds and the terms of their receipt by the subject of cinematography are determined;

3) agreement with the investor, producer, film producer, including the agreement on joint production of the film, which contains the schedule of financing the production of the film;

4) an agreement with a distributor, demonstrator, including a television and radio organization, which contains a schedule for the subject of cinematography to receive the necessary funds in the amount specified in [Article 7 of this Law](#);

5) audit opinion and estimate of the actual costs incurred by the subject of cinema for the production (creation) of the film.

4. For consideration of the application for state subsidies provided for in [paragraphs 2 , 3 , 4](#) of the first part of Article 7 of this Law, the subject of cinematography shall pay a fee, the procedure for collection and the amount of which are determined by law.

5. The provision of state support shall be formalized by an agreement concluded between the central executive body implementing the state policy in the field of cinematography and the entity specified in this article. The essential terms of state support agreements (depending on the form of state support) are approved by the central executive body, which ensures the formation of state policy in the field of cinematography.

If state support is provided on a repayable basis, the conditions and amount of return of such support shall be determined by the contract provided for in this part, taking into account the requirements of this Law.

6. The contract specified in part five of this Article shall not be concluded in case of state support in the form of a subsidy for reimbursement of part of qualified expenses incurred by a foreign cinematographic entity in production (creation) of films provided for in [paragraph 4 of part 1 of Article 7 of this Law](#).

*{Part six of Article 8 as amended by Law [3ako 130-IX of September 20, 2019](#) }*

#### **Article 9.** Council for State Support of Cinematography

1. In order to effectively administer funds of state support for cinematography in the forms provided for [in Article 7](#) of this Law, the Cabinet of Ministers of Ukraine established his [order](#) formed the Council for State Support of Cinematography (further - Council), consisting of nine members, whose members are appointed for two years. After the expiration of the two-year term, the powers of a member of the Board shall be terminated automatically. The same person may not be included in the Board for more than one consecutive term.



2. The Council shall include persons proposed:

1) the central executive body that ensures the formation of state policy in the field of cinematography - one person;

2) the central executive body that implements the state policy in the field of cinematography - one person;

3) creative unions, public associations, business associations, the statutory documents of which provide for activities in the field of cinema and / or television and whose activities are active (during the last three years organize periodically, at least once a year, public events on problems in the field of cinematography: initiate public discussions of topical issues, public discussions in the professional sphere, etc.), - seven people, one of whom must have a higher legal education, and one - a higher economic education.

3. Representatives nominated by creative unions, public associations, business associations must have experience of at least three years in the field of cinematography, holding at least one of the following positions:

1) the head or deputy head of the legal entity that produces, distributes, shows the film;

2) director-producer of the film;

3) the producer of the film;

4) a lawyer;

5) economist (financier);

6) screenwriter;

7) film critic.

4. The following may not be members of the Council:

1) persons who have a criminal record that has not been expunged or not removed in the manner prescribed by law;

2) persons who are in the civil service, as well as other persons in respect of whom the [Law of Ukraine "On Prevention of Corruption"](#) establishes restrictions on combination and combination with other activities, and / or persons with conflict of interest in accordance with the Law of Ukraine "On prevention of corruption ", and / or who have been prosecuted for corruption offenses.

5. The powers of a member of the Council may be terminated prematurely by the Cabinet of Ministers of Ukraine in the case of:

1) submission of an application for termination of powers at one's own request;

2) departure for permanent residence outside Ukraine;

3) identification (occurrence) of the circumstances specified in part four of this article;

4) entry into force of a court conviction against a member of the Council;

5) inability to perform duties due to health conditions for three or more months, confirmed by a relevant medical opinion;

6) entry into force of a court decision recognizing a member of the Council of limited legal capacity or incapable;

7) absence at five meetings of the Council, except in cases when the reason for absence is due to treatment, vacation, business trip, which is confirmed by the relevant documents;

8) death of a person.

The list of grounds for early termination of the powers of a member of the Council is exhaustive. Early termination of the powers of a member of the Board on other grounds than those provided for in this part shall not be allowed.

In case of early termination of the powers of a member of the Council, the Cabinet of Ministers of Ukraine shall appoint a new member of the Council within one month in the manner and under the conditions established by this Article.

6. The Council, on the proposal of the central body of executive power, which implements the state policy in the field of cinematography, shall make a decision on:

1) formation of expert commissions (whose decisions are of a recommendatory nature) with the inclusion of professional creative workers, film critics, producers, economists, distributors, film distributors and other persons who cannot be members of the Council at the same time. The order of formation and work of expert commissions, as well as the conditions of their activity are approved by the central executive body that implements the state policy in the field of cinematography;

2) provision of state support for cinematography in the forms provided for in [part one of Article 7](#) of this Law;

3) approval of changes in the essential parameters of the film in the process of its creation at the request of the subject of cinema, which received state support (in whole or in part). The essential parameters of the film include the creative concept of the film, the overall estimate, the estimated cost, the timing of the film, the timing of production, as well as the identity of the director, screenwriter.

7. The Chairman of the Board, the Deputy Chairman and the Secretary of the Board are elected at its meeting.

In order to ensure the activities of the Council, the functions of the staff of the Council are performed by the staff of the central executive body that implements the state policy in the field of cinematography.

8. Members of the Council are not civil servants. For the performance of their functions, the members of the Council receive a fee - a scholarship. [The amount and procedure for payment of scholarships to members of the Council shall be](#) established by the Cabinet of Ministers of Ukraine.

9. The central executive body that implements the state policy in the field of cinematography, annually, not later than two months after the end of the relevant budget period, reports to the Council on the use of state support for cinematography.

10. A meeting of the Board is valid if at least six members of the Board are present. The decision of the Council is considered adopted if at least five members of the Council have voted for it. During the meeting of the Council, the Secretary of the Council keeps the minutes of the meeting, which is signed by the chairman of the meeting and the Secretary of the Council.

11. Meetings of the Council are open. Board meetings can be scheduled or unscheduled. Scheduled meetings are held in accordance with the approved plan at least once a month. Unscheduled meetings are held at the request of the central executive body implementing state policy in the field of cinematography, or a member of the Council.

12. The central body of executive power, which implements the state policy in the field of cinematography, publishes on its official website:

1) information on the receipt of funds for the purposes of state support of cinematography, indicating their volume - no later than the third working day after receipt;

2) applications (without materials attached to them) for the provision of state support - no later than the third working day after receipt;



3) information on the date and time of the Council meetings, indicating the list of applications for state support to be considered at such a meeting, and the names of cinematographers who submitted such applications - no later than five working days before the date of the relevant meeting of the Council;

4) drafts of full texts of decisions on issues of the agenda - not later than five working days before the day of the relevant meeting;

5) the full text of the decision to provide state support - no later than five working days from the date of its adoption.

13. Control over the targeted use of state support funds shall be exercised in accordance with the legislation by the state authorities authorized to do so.

**Article 10.** The procedure for providing state support for cinematography to cinematographic subjects

1. State support of cinematography shall be provided to the subjects of cinematography of Ukraine on the basis of a decision of the Council adopted in accordance with the procedure specified in [Article 9 of](#) this Law, with:

1) the decision of the Council on the provision of state support in the forms provided for in [paragraphs 1-3](#) of the first part of Article 7 of this Law, is made based on the results of competitive selection ( pitching ) after studying and evaluating the attached to the application: film estimates; director's explication; producer's vision; marketing strategy; an agreement on the transfer or alienation of exclusive property copyrights to the script of the film; an agreement on the transfer or alienation of exclusive copyright to the film's dialogues, if they are created separately from the film's script; joint film production agreements (for co-produced films with other countries); copies of constituent documents of cinematographic subjects (if the applicant is a legal entity); information on the approximate composition of the film crew; letter of guarantee from the applicant on the absence of restrictions provided for in [Article 12 of](#) this Law; a letter of guarantee from the applicant to ensure that he has the funds necessary for timely financing of film production (if required by [part three of](#) Article 8 of this Law) before the date of conclusion of the agreement on state support; a document confirming payment of the fee for consideration of the application, in the case provided for in [part four of](#) Article 8 of this Law, as well as other documents that the applicant will consider necessary to submit to the Council for consideration of his application.

When making a decision, the Council must additionally assess and take into account:

originality and quality of the script;

Applicant's experience as a producer or producer of a film of the relevant genre - economic results (including box office of produced films), results of participation in domestic or international film festivals, awards received at film festivals, economic efficiency of film distribution in Ukraine and abroad, TV ratings during (demonstrations) of film (films) by TV and radio organizations, efficiency of sales (views) on the Internet and in the retail trade network on tangible media;

successful work of the director in connection with his participation in the production (creation) of films - the results of participation in domestic or international film festivals, awards received at festivals, cost-effectiveness of film distribution in Ukraine and abroad, the results of television viewing during broadcasting (demonstrations) of the film (films), the effectiveness of sales (views) on the Internet and in the retail trade network on tangible media;

the projected ratio of the cost of production (creation) of the film and the quality of the produced (created) film, the timing of its production (creation).

The procedure and criteria for holding a creative competition ( pitching ), as well as the procedure for decision-making by the Council shall be approved by the central executive body, which ensures the formation of state policy in the field of cinematography;

2) decisions of the Council on granting state support for the production of films in the form provided for in [paragraph 4](#) of the first part of Article 7 of this Law shall be made based on the results of such films passing the cultural test, the conditions of which are defined in [Annex 1](#) to this Law. number of points - 16) and production criteria (maximum number of points - 26). A film is considered to have passed the cultural test if it has scored at least 2 points according to cultural criteria and at least 18 points according to production criteria;

3) the decision of the Council to provide state support in the form provided for in [paragraph 9 of](#) part one of Article 7 of this Law shall be adopted in accordance with the procedure approved by the Cabinet of Ministers of Ukraine;

4) the decision of the Council to provide state support in the forms provided for in [paragraphs 5-8 and 10](#) of the first part of Article 7 of this Law shall be adopted in accordance with the procedure approved by the central executive body that ensures the formation of state policy in the field of cinema.

2. If the amount of state support for cinematography actually received from the sources provided by this Law is insufficient for the implementation of state support provided in the current budget period, funding shall be resumed in the next budget period.

If a decision is made to provide state support to a cinematographic entity in accordance with this Law, but due to lack or insufficient amount of funds allocated for the purposes of state support of cinematography, state support to such cinematographic entity has not been received or has been received in part, the central the body of executive power, which implements the state policy in the field of cinematography, issues to the subject of cinematography a certificate of the existing debt to such subject. In this case, the losses incurred by the subject of cinema in connection with the non-receipt or incomplete receipt of state support are not reimbursed.

3. State support for the production (creation) of a film shall be provided in the form of public procurement or in the form of a state subsidy for the production of a film, or in the form of a state subsidy for reimbursement of part of eligible costs incurred by a foreign cinematographer.

*{Paragraph one of the third part of Article 10 as amended in accordance with Law [№ 130-IX of September 20, 2019](#) }*

The conclusion of an agreement with a subject of cinematography on the provision of state support, if the binding nature of such an agreement is provided by this Law, is carried out if he has the documents specified in [part three of](#) Article 8 of this Law. Failure to submit such documents to the Council within 90 days from the date of the decision to provide state support is grounds for refusal to enter into an agreement and refusal to provide state support.

4. An object of state support may not be a film, the showing and distribution of which is prohibited in Ukraine in accordance with the law.

**Article 11.** Peculiarities of providing state support of cinematography in the form of a state subsidy for reimbursement of a part of qualified expenses incurred by a foreign subject of cinematography during the production (creation) of a film

*{Title of Article 11 as amended in accordance with Law [№ 130-IX of September 20, 2019](#) }*

1. In order to create favorable conditions for foreign cinematographic subjects for the production of films on the territory of Ukraine with the use of stage and production facilities located in Ukraine, pavilions, localities (locations), services of Ukrainian cinematographic subjects, hotel services, etc. to foreign subjects. cinematographic objects are provided with state support in the form of a state subsidy to reimburse part of the eligible costs incurred by a foreign cinematographic entity in the production (creation) of a film.

Mandatory condition for obtaining a state subsidy to reimburse part of the qualified costs incurred by a foreign cinematographic entity in the production (creation) of the film is the absence of residents of Ukraine among its owners, participants, shareholders, including

ultimate beneficial owners (controllers), as well as officials of this foreign subject of cinematography.

*{Part one of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

2. The state subsidy for the return of part of the qualified expenses incurred by the subject of cinematography during the production (creation) of the film shall be provided in the following amounts:

1) reimbursement of part of the qualifying expenses (payments) for the production (creation) of films actually made by the subject of cinematography - in the amount of 25 percent of the total amount of such qualified expenses (payments) specified in [part four of](#) this article.

A foreign cinematographer may receive an additional reimbursement of 5 percent of the total eligible costs (payments) if at least four cultural criteria of the cultural test are exclusively Ukrainian (culture / history / mythology / religion / architecture / environment, etc.) or if the film contains scenes (at least 5 percent of the total duration of the film) in which the film's characters read a book (books) by a Ukrainian author, including a translation into another language, and the storyline / script / central theme focuses on the relevant actions of the film's characters. allows to identify the book (books) of the Ukrainian author, or if the plot line / script / central theme of the film is based on a Ukrainian literary work or on the theme (events) of the aggressor's armed aggression against Ukraine, and the film plot directly or indirectly assesses the state -aggressor, which corresponds to the assessment, conclusions stated by the legislation of Ukraine, in particular, it is recognized that the aggressor state commits a crime of aggression against Ukraine and temporarily occupies part of its territory, violates the principles and norms of international law;

*{Paragraph 1 of the second part of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

2) reimbursement of part of the expenses (payments) actually made by the subject of cinematography for payment of remuneration to actors and members of the film crew who took part in the film claiming state support provided by this article, who are non-residents of Ukraine, carry out their activities and / or reside outside Ukraine, if such payments are subject to taxation on the territory of Ukraine, in the following amounts:

10 percent of the total amount of such payments in case of payment of personal income tax on them in the cities of Kyiv and Sevastopol;

4.5 percent of the total amount of such payments in case of payment of personal income tax on them in the relevant territory of Ukraine (except for the cities of Kyiv and Sevastopol).

3. The state subsidy provided for in paragraph 1 of part two of this Article may be granted if all the following conditions are met:

1) the costs are fully or partially incurred in Ukraine in the production (creation) of the film in favor of a person who conducts business activities and is registered as a business entity in Ukraine;

2) the film meets at least one of the following requirements:

a) is a feature film or animated film intended for viewing in cinemas, with a total running time of at least 74 minutes;

b) is a feature television film or animated film consisting of one or more series, with a total running time of at least 74 minutes;

c) is a documentary film intended for viewing in cinemas and / or for showing on television, with a total running time of at least 52 minutes;

d) is a television series or an animated television series, or a separate part (series), with a total running time of at least 40 minutes;

e) is an advertising film (a film that is exclusively an advertising tool for the promotion of a trademark, brand name, name of a natural person or a legal entity) or a music video (a film whose soundtrack consists exclusively of one piece of music) intended for television, viewing in cinemas and / or for placement on the Internet, with a total running time of at least 20 seconds;

3) the film has passed a cultural test, the conditions of which are defined in [Annex 1](#) to this Law;

4) the producer is a foreign subject of cinematography, which has concluded an agreement on the production of a film (or its part) with a subject of cinematography of Ukraine, which is registered as a value added tax payer;

*{Paragraph 4 of part three of Article 11 as amended in accordance with Law [№ 130-IX of September 20, 2019](#) }*

5) the total amounts of qualified costs (payments) related to its production on the territory of Ukraine, on the day of application with the application provided for in [part nine of](#) this article, shall be at least:

4 thousand subsistence minimums for able-bodied persons - for films referred to in [subparagraph "a" of](#) paragraph 2 of this part;

*{Paragraph two of item 5 of part three of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

1 thousand 120 subsistence minimums for able-bodied persons - for films referred to in [subparagraph "b" of](#) paragraph 2 of this part;

*{Paragraph three of item 5 of part three of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

700 subsistence minimums for able-bodied persons - for films referred to in [subparagraph "c" of](#) paragraph 2 of this part;

*{Paragraph four of item 5 of part three of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

3 thousand 360 subsistence minimums for able-bodied persons - for films referred to in [subparagraph "d" of](#) paragraph 2 of this part;

*{Paragraph five of item 5 of part three of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

1 920 subsistence minimums for able-bodied persons - for advertising and / or musical films referred to in [subparagraph "e" of](#) paragraph 2 of this part. At the same time, 10 percent of the subsidy received to reimburse the qualified costs of production of advertising and / or music films should be directed by the cinematographic entity to support the production of debut films of Ukrainian directors in the manner prescribed by the central executive body implementing state policy in the field of cinematography. ;

*{Paragraph six of item 5 of part three of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

4. Eligible costs for the purposes of this article are the costs of: salaries to employees; fees for services to individuals (actors and / or other members of the film crew), including, but not limited to, fees and other remuneration; purchase of goods, works, services; property lease; other costs directly related to the production of the film produced in Ukraine.

In this case, all expenses specified in this part must be paid to a person who is on the general system of taxation.

*{The second paragraph of the fourth part of Article 11 shall enter into force on January 1, 2021 - see [Section II of the Law № 130-IX of September 20, 2019](#)}*

*{Part four of Article 11 as amended by Law [№ 130-IX of September 20, 2019](#) }*

5. For the purposes of this Article, the following costs shall not be considered eligible:

- 1) depreciation of fixed assets, other non-current tangible and intangible assets;
- 2) the cost of negotiations;
- 3) financial costs (including interest on loans);
- 4) operating costs that are not included in the cost of production of the film;
- 5) the cost of distributing the film;
- 6) travel expenses of film crew members and actors during filming outside Ukraine;

7) salaries or any other types of remuneration paid (provided) to actors or members of the film crew who are non-residents of Ukraine, except for qualified expenses specified in paragraph 2 of part two of this article (ie those taxed in Ukraine).

6. A cinematographic entity wishing to receive the subsidy provided for in this Article for the reimbursement of part of the qualified expenses incurred in the production (creation) of a film shall apply to the central executive body implementing the state policy in the field of cinematography before completing the production of the film. on providing a preliminary opinion on the passage of the film, the production of which is planned or taking place, a cultural test.

The subject of cinematography shall submit the following documents to the application for issuing an opinion on passing the cultural test, the production of which is planned or taking place: film director's script, film production schedule, film estimate, contract (agreements) between Ukrainian and foreign subject cinematography on film production (if the film is produced in cooperation with a foreign cinematographer), an extract from the Unified State Register of Legal Entities, Individuals - Entrepreneurs and Public Associations, copies of their constituent documents, information on the composition of the film crew, letter- a guarantee of the absence of restrictions provided for in [Article 12 of this Law](#), a document confirming payment of the fee for consideration of the application in accordance with [part four of Article 8 of this Law](#).

7. Within two days from the date of receipt of the application and the documents provided for in part six of this article, the central executive body implementing the state policy in the field of cinematography shall submit such application to the Council. The Council considers the application and the documents attached to it and provides a preliminary opinion on the film test specified in the application, no later than 30 days from the date of its receipt by the Council.

8. The central executive body implementing the state policy in the field of cinematography, within 40 days from the date of receipt of the application and documents provided for in part six of this article, on the basis of the preliminary opinion of the Council specified in part seven of this article, provides the cinematographer preliminary conclusion on passing the cultural test specified by the film specified in the application.

9. Within one year from the date of completion of the film, the cinematographer who has received a preliminary opinion on the film's cultural test, in order to receive a state subsidy to reimburse part of the eligible costs incurred in the production (creation) of the film, must apply to the central executive body. authorities implementing state policy in the field of cinema, with a statement.

The following documents (originals or duly certified copies) are attached to the application:

- 1) estimate of the film;



2) agreement (agreements) between the Ukrainian and foreign subject of cinematography on film production (if any);

3) act (acts) of performed works (rendered services) with separation of qualified expenses and taxes accrued and / or paid by the subject of cinematography in connection with incurrence of expenses specified in the act (acts), as well as primary accounting documents to confirm these sum;

4) a report on the production of the film and the eligible costs incurred;

5) a letter of guarantee that for the period from the date of submission of the application provided for in part six of this article to the date of application for a state subsidy to the documents submitted to obtain a preliminary opinion specified in part seven of this article, no changes were made, in particular that as of the date of application for a state subsidy, there are no restrictions provided for in [Article 12 of this Law](#). If the documents provided for in part six of this Article have been amended, the letter of guarantee shall not be submitted, but the documents amended shall be submitted;

6) an audit report confirming the amount of qualified expenses and taxes accrued and / or paid by the subject of cinematography in connection with the incurrence of expenses specified in the act (acts), prepared in accordance with the legislation of Ukraine and auditing standards.

10. The Council not later than 30 days from the date of receipt by the central executive body implementing state policy in the field of cinematography, the application of the subject of cinematography and the documents attached to it provided for in part nine of this article, shall consider such application and attached documents and provides an opinion on passing the cultural test specified in the application and on the existence of grounds for granting the subject of cinematography a state subsidy to reimburse part of the eligible costs incurred by the subject of cinematography in the production (creation) of the film.

11. The central executive body implementing the state policy in the field of cinematography, within 40 days from the date of receipt of the application and documents provided for in part nine of this article, on the basis and in accordance with the conclusion of the Council specified in part ten of this article. granting a state subsidy to a cinematographic subject for reimbursement of a part of the qualified expenses incurred by a cinematographic subject during the production (creation) of a film, or refusal to grant such a subsidy in full or in part to a cinematographic subject.

12. Payment of the state subsidy for reimbursement of part of the qualified expenses incurred by the subject of cinematography during the production (creation) of the film shall be made by the central executive body implementing the state policy in the field of cinematography at the expense of state support of cinematography by transferring funds to the applicant's bank account. within 10 banking days from the date of the relevant decision.

13. Foreign cinematographers (including producers) receive state support in the form of a state subsidy to reimburse part of the eligible costs incurred by the cinematographer in the production (creation) of the film, through a Ukrainian cinematographer on the basis of concluded between such the subjects of the agreement under which the Ukrainian subject of cinematography is involved in the production of the film on the territory of Ukraine.

#### **Article 12.** Restrictions on the provision of state support for cinematography

1. State support of cinematography is not provided to cinematographic subjects:

1) which do not meet the criteria specified in [Article 8 of this Law](#);

2) if such entities, their participants (shareholders), ultimate beneficial owners (controllers) or their officials are residents of the aggressor state or have a criminal record that has not been removed and not repaid in the manner prescribed by law;

3) which are in the stage of liquidation, bankruptcy or reorganization of a legal entity or termination of entrepreneurial activity of a natural person - entrepreneur;



4) who submitted inaccurate information and documents during the application for state support or an application for inclusion in the State Register of Producers, Distributors and Demonstrators of Films;

5) who at the time of application have a tax debt that exists for more than two months from the date of its formation;

6) who previously received state support, the provision of which was declared illegal by a court or other competent authorities;

7) who allowed misuse of state support funds and did not eliminate such violation or allowed without objective reasons non-performance, improper performance or violation of the terms of the state support agreement and did not eliminate such violations, which is proved in the prescribed manner (about which there are reliable data);

8) who have arrears of wages to employees for more than one calendar month;

9) a foreign subject of cinematography does not meet the criteria specified in the [second](#) paragraph of the first part of Article 11 of this Law.

*{Part one of Article 12 is supplemented by clause 9 in accordance with Law [№ 130-IX of September 20, 2019](#) }*

2. State support is not provided for the production (creation) of films whose participants are included in the List of persons who pose a threat to national security and / or to whom sanctions are applied in accordance with the [Law of Ukraine "On Sanctions"](#) and / or which are prohibited from showing and / or distribution in Ukraine.

### **Article 13. Intellectual property rights to films produced with state support**

1. In case of making a film with state support in the form provided for in [paragraph 1 of](#) part 1 of Article 7 of this Law, intellectual property rights to such film shall be transferred (alienated) in favor of a state-owned legal entity determined by the central executive body policy in the field of cinematography, and specified in the agreement on state support.

2. In case of making a film with state support in the form provided for in [paragraphs 2 and 3](#) of the first part of Article 7 of this Law, intellectual property rights shall be transferred (alienated) in favor of the cinematographer who received a state subsidy. In this case, such a cinematographic entity is obliged to pay to the State Budget of Ukraine 50 percent of the proceeds from the rental and / or transfer of rights to use such a film, but not more than 50 percent of the amount of state support. In the case of transfer (alienation) of the subject of cinematography, which created the film with state support, intellectual property rights to the film in full or in part, the person who acquired property rights to such a film must pay to the state profits specified in this part, to the same extent.

3. In the case of making a film with state support in the form provided for in [paragraph 4](#) of the first part of Article 7 of this Law, intellectual property rights belong to the subject of cinema, who created the film and received a state subsidy. In the future, such a subject of cinema receives all income from the use of such rights, from the realization of the rights to use such a film.

## **Section III FINAL AND TRANSITIONAL PROVISIONS**

1. This Law shall enter into force on the day following the day of its publication, except for [paragraph 1 of](#) part three of Article 6, which shall enter into force on the date of entry into force of the Law defining legal, organizational, financial principles of the Ukrainian Cultural Fund. to promote the national and cultural development of Ukraine.

2. Until the law determines the amount and procedure for collecting fees for consideration of applications for subsidies provided for in [paragraphs 2-4](#) of the first part of Article 7 of this Law,

the [amount](#) and [procedure for](#) collecting such fees shall be determined by the Cabinet of Ministers of Ukraine.

3. Make changes to the following legislative acts of Ukraine:

1) in the [Code of Ukraine on Administrative Offenses](#) (Vedomosti of the Verkhovna Rada of the USSR, 1984, appendix to до 51, art. 1122):

to supplement with articles 164<sup>17</sup> and 164<sup>18 of the</sup> following content:

" **Article 164<sup>17</sup>**. Violation of the terms and conditions governing the termination of infringements of copyright and (or) related rights via the Internet

Violation of the terms and conditions governing the termination of infringements of copyright and (or) related rights using the Internet, including failure of the website owner, hosting provider provided by copyright and related rights to prevent access by Internet users to objects of copyright and (or) related rights, failure to provide or late response to the application of the subject of copyright and (or) related rights by the website owner, hosting service provider, providing knowingly inaccurate information in response to the application of the copyright and / or related rights, the website owner, the hosting provider, as well as the non-posting by website owners, hosting service providers on their websites, in public databases of domain name records (WHOIS) of reliable information about myself, -

entail the imposition of a fine of five hundred to one thousand non-taxable minimum incomes.

The same actions committed repeatedly within a year after the imposition of an administrative penalty for one of the offenses referred to in part one of this article -

entail the imposition of a fine of one thousand to two thousand non-taxable minimum incomes.

**Articles 164<sup>18</sup>**. Providing knowingly inaccurate information in applications for termination of copyright and (or) related rights committed using the Internet

Providing a person with knowingly unreliable information on the existence of copyright and (or) related rights in the application for termination of copyright infringement and (or) related rights using the Internet, sent in accordance with the legislation on copyright and related rights, -

entails the imposition of a fine of one thousand to two thousand non-taxable minimum incomes";

in [Article 221, the](#) figures "164<sup>15</sup>-164<sup>16</sup>" shall be replaced by the figures "164<sup>15</sup>-164<sup>18</sup>";

paragraph 10 of the first part of Article 255 after the figures "164<sup>13</sup>" add the figures "164<sup>17</sup>, 164<sup>18</sup>";

2) in the [Commercial Procedural Code of Ukraine](#) (Vidomosti Verkhovnoi Rady Ukrainy, 1992, № 6, Art. 56):

[the first part of](#) Article 12 shall be supplemented with paragraph 9 as follows:

"9) cases in disputes under the jurisdiction of commercial courts, concerning the infringement of intellectual property rights using the Internet";

[the fourth part of](#) Article 16 shall be supplemented with the following sentence: "Cases in disputes concerning infringement of intellectual property rights using the Internet shall be considered by a commercial court at the location of the central executive body implementing state policy in the field of intellectual property";

3) the [first paragraph of the first](#) part of Article 176 of the Criminal Code of Ukraine (Vidomosti Verkhovnoi Rady Ukrainy, 2001, № 25-26, Art. 131) shall be worded as follows:

"1. Illegal reproduction, distribution of works of science, literature and art, computer programs and databases, as well as illegal reproduction, distribution of performances, phonograms,

videograms and broadcasting programs, their illegal reproduction and distribution on audio and video cassettes, diskettes, other media, camcording, cardsharing or other intentional infringement of copyright and related rights, as well as the financing of such actions, if it caused material damage to a significant extent";

4) in the [Civil Procedure Code of Ukraine](#) (Vidomosti Verkhovnoi Rady Ukrainy, 2004, №№ 40-42, Art. 492):

[Article 114](#) shall be supplemented with part five as follows:

"5. Claims arising in connection with the infringement of intellectual property rights using the Internet shall be filed at the location of the central executive body that implements state policy in the field of intellectual property";

[the first part of](#) Article 152 shall be supplemented with paragraph 8 as follows:

"8) establishing the obligation to take action to prevent access of Internet users to objects of intellectual property rights, the legality of the use (placement) of which on the Internet is the subject of dispute";

5) in the [Law of Ukraine "On Cinematography"](#) (Vidomosti Verkhovnoi Rady Ukrainy, 1998, № 22, Art. 114 with the following changes):

Articles 3 and 9 shall be worded as follows:

" **Article 3.** Definition of terms

In this Law, the terms are used in the following meaning:

author of the film - an individual whose own work determines the creative idea and / or ways of its implementation in the film;

archival set of film source materials - a set of film media of the original film, consisting of negative (double-negative), reference and rolling positive image, optical phonogram, film annotation, as well as digital film source materials, paper and photographic materials, etc., intended for life storage ;

exclusive right to a film - the property right of a legal or natural person, which gives the right only to this person to use the film in any form and in any permitted manner;

performer of the film - an individual who by his own work participated in the implementation of creative ideas of the authors of the film in the process of its creation;

film producer - a subject of cinematography, which has assumed responsibility for the production of the film;

film production - the process of creating a film that combines the cooperation of authors and performers of the film and other subjects of cinema, which consists of periods (stages) of production (film project development, director's script development, preparatory, shooting, editing and toning );

source materials of the film - material carriers of the original work of cinematography, the use of which makes it possible to make (duplicate) film copies;

film demonstrator - a subject of cinematography that performs a demonstration (public showing) of a film;

demonstration (public display, public notification and public demonstration) film - professional cinematographic activities is to show the film to the audience in designated areas (theaters and other kinovydyovyschnyh institutions), the videostanovkakh and television broadcast channels;

aggressor state - a state that in any way occupied a part of the territory of Ukraine or that commits aggression against Ukraine, recognized by the Verkhovna Rada of Ukraine as an aggressor state or an occupying state;

state film fund - a state cultural institution that carries out archival and research activities in order to develop the film fund, restoration, restoration and preservation of works of national and world cinematographic heritage, dissemination of relevant information;

film dubbing - creative and production activity, which consists in the simultaneous reproduction of the linguistic part of the sound series of the film in another language by translation, which corresponds to the component articulation of the protagonists;

film storage - activities aimed at ensuring long-term storage of source materials of films and film copies and their restoration and preventive treatment;

filming period of film production - filming of a film project;

foreign subject of cinematography - a legal entity established or registered in accordance with the legislation of a foreign state located outside Ukraine, which organizes or organizes and finances the production, demonstration and distribution of film and / or which produces film;

film commission - an institution, a subdivision of a state or communal form of ownership, the purpose of which is to popularize Ukraine and its regions as attractive locations for filming, as well as effective use of the potential of the Ukrainian service industry in the field of cinematography;

editing and tinting period of film production - implementation of the final processing of the film, including film editing, creation of visual effects, sound, creation of captions, etc.;

national film - a film created by cinematographers, produced entirely or partially in Ukraine, the main (basic) version of the language part of the sound series which is created in Ukrainian or Crimean Tatar, and which scored the required number of points according to the evaluation elements of the scoring system, provided by this Law. According to the motivated decision of the Council for State Support of Cinematography on the basis of the request of the subject of cinematography, if it is justified by the artistic, creative idea of the filmmakers, the main (basic) version of the national film (except children's and animated films) may use other languages. may exceed 10 percent of the total duration of all remarks of the film participants. During the screening of a national film in Ukraine, such lines must be dubbed or subtitled in Ukrainian;

sounding of the film - creative and production activity, which consists in replacing the sound series of the film with another, asynchronous, which conveys the content of the language series of the film;

authorities of the aggressor state - law enforcement agencies (police, police, etc.), armed forces, judicial authorities, internal troops, any special purpose units, authorities responsible for the protection and defense of the state border, authorities responsible for the implementation of tax and customs policy, bodies responsible for conducting inquiries or pre-trial (preliminary) investigations, the prosecutor's office, bodies responsible for state security or the security of the top leadership of the aggressor state, units responsible for carrying out any peacekeeping missions, any other armed, military, paramilitary, paramilitary or other power formations of the aggressor state, their constituent or structural subdivisions, including formations, the names of which do not correspond to the official names adopted in the aggressor state, but which by their functions belong to any of these bodies or formations;

preparatory period of film production - creation of a production project, which may consist of a director's script and explication, development of individual episodes and scenes, photo and film rehearsals, sketches, filming and cinematic explication, detailed storyboards, editing, photographic materials, explication of sound design, calendar and production plan, general estimate of production costs, etc.;

entrepreneurial activity in cinematography - activity related to the production, distribution and showing (public showing) of films for profit;

film producer - a natural or legal person who organizes or organizes and finances the production and distribution of a film;

producer system - a system in the field of cinematography, which in the conditions of the film market provides interaction and functioning of all subjects of cinematography for the purpose of production, distribution and demonstration (public showing) of films;

film promotion - dissemination of information about the film in any form and in any way intended to form or maintain the awareness of the audience and its interest in the film;

professional cinematographic activity - activity carried out by cinematographic subjects on a professional basis and is a source of their income;

Soviet state security bodies - the All-Russian Emergency Commission for Combating Counterrevolution and Sabotage (VCHK, Cheka), the All-Ukrainian Emergency Commission for Combating Counterrevolution, Speculation, Sabotage and Official Crimes (VUCHK), the State Political Administration (GPU), the United Department (OGPU), People's Commissariat of Internal Affairs (NKVD), People's Commissariat of State Security (NKGB), Ministry of State Security (MGB), State Security Committee (KGB), as well as their territorial and structural subdivisions;

film project development - the period of film production, within which informational and methodical work is carried out to prepare the film project for the shooting period (writing a literary script for feature films, storyboards for animation, extended treatment for non-feature films, creating presentation visual material, production estimates, limit formation production costs, work schedule, other documents required for the production of the film);

film distribution - the process by which the subjects of cinema in any way directly or indirectly offer the film to the audience (distribution, rental, promotion, advertising, etc.);

distributor (distributor, distributor) of the film - a subject of cinematography, which has the right to distribute the film;

development of a director's script - development of a screen interpretation of a literary script by a director and other authors of a film, construction of production and creative solutions and determination of technical and economic indicators;

subject of cinematography - a natural or legal person engaged in any kind of professional activity in the field of cinematography;

subtitling of a film - creative and production activity, which consists in translating from the language of the original film into another language and fixing this translation with captions directly on the film copy;

stage and production means of film production - objects, devices and structures that are used during the filming period of the film (operating cycle) by transferring their image or image of the process of their transformation (destruction) to an audiovisual work in ways available to the film producer ;

film participant - for the purposes of Article 15 of this Law, a film participant is a natural person who participated in the creation of a film produced and / or first released (shown) after 1991 as a performer of any role, participant of documentary (non-fiction) films, performer musical work used in the film, author of the script and / or texts or dialogues, director, producer;

film - an audiovisual work (including television series and their individual series), consisting of episodes combined with a creative idea and pictorial means, and is the result of joint activities of its authors, performers and producers;

film copy - a copy of the film made using the source materials of the film ";

" **Article 9** . The powers of the central executive authority, which provides public policy in the field of cinema

The powers of the central executive body, which ensures the formation of state policy in the field of cinematography, include:

- 1) ensuring the formation of state policy in the field of cinema;
- 2) determination of priority directions of activity of the central body of executive power, which implements the state policy in the field of cinematography;
- 3) ensuring public access to works of Ukrainian, European and world cinema;
- 4) creating conditions for the development of all types of cinematographic activities;
- 5) promoting the creative development of young filmmakers and performers;
- 6) promoting the development of education, creative improvement in the field of cinema;
- 7) promoting the spread of cinematographic culture, the development of cinematographic activities, the promotion of cinematography;
- 8) exercise other powers provided by law ";

Section II shall be supplemented with Articles 9 as follows:

" **Article 9** . The powers of the central executive body that implements the state policy in the field of cinema

The powers of the central body of executive power, which implements the state policy in the field of cinematography, include:

- 1) generalization of the practice of application of legislation on issues within its competence, development of proposals for improvement of legislative acts, acts of the President of Ukraine and the Cabinet of Ministers of Ukraine, normative legal acts of ministries;
- 2) analysis of the activities of cinematographic entities, preparation of conclusions on trends in national cinematography;
- 3) development of proposals for structural improvement and reform of the national film industry, development of the production system;
- 4) implementation of the program of film production, development of the economic substantiation and carrying out of calculations of maximum volumes of expenses of the state budget;
- 5) development of proposals for the program of creation and distribution of national films;
- 6) concluding contracts for the purchase of goods, works and services necessary for the production (creation) of source film materials, audiovisual works;
- 7) interaction with domestic and foreign research institutions and educational institutions in order to exchange experiences on the implementation of state policy in the field of cinema;
- 8) promoting the preservation and rational use of national and world cinematographic heritage;
- 9) maintaining the State Register of producers, distributors and demonstrators of films;
- 10) maintaining the State Register of Films;
- 11) issuance of state certificates for the right to distribute and show films;
- 12) participation in the organization of the competition on selection of investment and innovative projects in the field of cinematography;



13) development of proposals on the conditions of rental, reproduction, distribution and public showing or showing of films with indexes that have a limited audience;

14) control over compliance with the quota for showing national films during the use of national screen time, conditions of distribution and showing of films provided by the state certificate for the right to distribute and show films, and the presence of the specified state certificate;

15) drawing up protocols on administrative offenses in the field of cinematography;

16) implementation in accordance with the legislation of the function of state supervision (control) in the field of cinematography;

17) providing consulting and organizational and methodological assistance in the field of cinematography;

18) participation in the organization and holding of film festivals, film exhibitions, film premieres, press conferences, other events to promote the national film industry;

19) participation in the preparation of draft international agreements, proposals for the conclusion and denunciation of such agreements, the conclusion of international agreements, ensuring the fulfillment of Ukraine's obligations under international agreements on cinematography;

20) cooperation with domestic and foreign film archives;

21) granting the status of a joint production product to audiovisual works in Ukraine in accordance with international agreements;

22) granting audiovisual works national status;

23) organization and support of the work of the Council for State Support of Cinematography and the Expert Commission on Cinematography;

24) submission of draft decisions to the Council for State Support of Cinematography, as well as implementation of decisions of the Council for State Support of Cinematography regarding:

formation of expert commissions in the manner prescribed by law;

providing state support to cinematographic entities in the manner and forms prescribed by law, including the conclusion of agreements on the provision of state support;

25) exercise other powers specified by law";

to add articles 10 and 15 with the following content:

" **Article 10** . Estimated elements point system for national films

Evaluation elements for feature films (points):

1) author's film crew:

director-producer - 3;

scriptwriter - 3;

composer - 3;

production operator - 3;

production designer - 3;

2) group of performers:

first role - 3;

second role - 2;

third role - 1;

3) technical shooting group (shooting technical support group):

sound director - 1;

editing director - 1;

studio or place of shooting - 5;

place of installation - 3;

4) producer - 3;

total - 34.

Evaluation elements for animated films (points):

author of the idea - 1;

scriptwriter - 2;

character artist-developer - 2;

composer - 1;

director-producer - 2;

hudozhnyk- rozkadrovyk - 2;

production designer - 2;

background artist - 2;

at least 50 percent of the cost of pre-assembly of scenes for animation ( layout ) in the country - 2;

at least 50 percent of the cost of animation services in the country - 2;

at least 50 percent of the cost of visualization services in the country - 2;

at least 50 percent of the cost of image compositing services in the country - 1;

place of installation - 1;

sound director - 1;

total - 23.

Evaluation elements for documentaries (points):

director-producer - 3;

scriptwriter - 2;

production operator - 3;

editing director - 2;

place of shooting - 2;

place of installation - 2;

composer - 2;

sound director - 2;

total - 18.

When calculating the total number of points, the relevant evaluation element is taken into account if:

the natural persons referred to in parts one, two or three of this Article who took part in the making of the film shall be citizens of Ukraine;

the place of installation specified in part one or three of this Article is located on the territory of Ukraine or at least 50 percent of the total amount of installation costs incurred in Ukraine;

the studio or place of shooting specified in part one or three of this Article shall be located on the territory of Ukraine during most of the filming days;

the expenses specified in part two of this article are incurred for the benefit of Ukrainian cinematographers who actually provide relevant services and are not agents or other intermediaries for the purchase of relevant services from their actual providers.

In paragraph 2 of part one of this article, the first, second and third roles are determined by the number of filming days.

The number of points for the evaluation element "producer" is determined taking into account the coefficient calculated as the ratio of the number of film producers who have Ukrainian citizenship or are located in Ukraine to the total number of film producers who participated in film production.

If in accordance with this Law the film is qualified as national, the central executive body implementing the state policy in the field of cinematography, at the request of the producer or producer of the film, issues a certificate of national film.

The presence of a national film certificate in the film presupposes that the film is national, and this does not need to be proved again in relations with public authorities. This presumption can be rebutted in the general order if it is found that the information and documents provided by the applicant to obtain a national film certificate contain inaccurate information.

The procedure for issuing a national film certificate is determined by the central executive body, which ensures the implementation of state policy in the field of cinematography.

The scoring system for national films provides for the film to score at least 18 points for feature films, 8 points for non-fiction (documentary), and 15 points for animated (cartoon) films;

" **Article 15** . The use of national screen time

In order to facilitate the production of films in Ukraine, as well as viewers' access to the works of the national cinematographic heritage of a television and radio organization that licenses television broadcasting or multi-channel broadcasting using a radio frequency resource, other film demonstrators who are not television and radio organizations 1 are obliged to January 2022, at least 15 percent of the total monthly time of film screenings, and after January 1, 2022 - at least 30 percent of the total monthly time of film screenings to screen national films, other films produced by Ukrainian cinematographers and works of national cinematographic heritage ";

Article 17 shall be worded as follows:

" **Article 17.** Storage of source materials of a film and film copies, acquisition of the state fund of films

Archival set of film source materials, source materials of a film created entirely or partially at the expense of the State Budget of Ukraine, as well as film copies of films created in Ukraine at the expense of privately owned legal entities and individuals are stored in the State Film Fund of Ukraine. The procedure for transferring films to the State Film Fund of Ukraine, the conditions of storage of source materials of films and film copies and regulations on the State Film Fund of Ukraine shall be approved by the central executive body that ensures the formation of state policy in the field of cinema.

The state takes care of the preservation and promotes the consolidation of film collections (funds) of institutions of various forms of ownership and individuals in the State Film Fund of Ukraine, ensuring its completion with national films, films made in Ukraine and other films.

All films and film materials of Ukrainian production and co-productions stored in the State Fund of Films of Ukraine are the national property of Ukraine - the national cultural heritage.

Production of an archival set of source materials for national films and films created on the territory of Ukraine in the current year is provided at the expense of the State Budget of Ukraine next year at the request of the State Film Fund of Ukraine on the basis of the decision of the central executive body. . If the production of an archival set of source materials of national films and films created on the territory of Ukraine is carried out at the expense of privately owned legal entities and individuals, the cost of such production is reimbursed to the producer from the State Budget of Ukraine.

The production of an archival set of source materials for national films and films created on the territory of Ukraine in previous years is determined by the central executive body that implements state policy in the field of cinematography, at the request of a collegial expert body at the central executive body that implements state policy. in the field of cinematography, taking into account the indicators of budget allocations for the current year.

The central executive body that ensures the implementation of state policy in the field of cinematography, at the request of a collegial expert body at the central executive body may decide to produce an archival set of source materials for a film created outside Ukraine, at the expense of private or public filmmakers . has artistic or historical value and is related to Ukraine by a theme, place of action, etc., or the author of which is (was) a resident of Ukraine or has Ukrainian origin.

Cooperation with domestic and foreign film archives is carried out by the central executive body, which implements the state policy in the field of cinematography, through the State Film Fund of Ukraine.

Regulations on national screen time and its use by cinematographic and television subjects shall be approved by the Cabinet of Ministers of Ukraine ";

section IV should be deleted;

6) in the [Law of Ukraine "On Copyright and Related Rights"](#) (Vidomosti Verkhovnoi Rady Ukrainy, 2001, № 43, Art. 214; 2003, № 35, Art. 271; 2004, № 13, Art. 181; 2011, № 32, art. 314; 2013, № 21, art. 208; 2014, № 2-3, art. 41; 2016, № 6, art. 61, № 46 , Article 781):

Article 1 shall be supplemented, taking into account the alphabetical order, with the following terms:

"website - a set of data, electronic (digital) information, other objects of copyright and (or) related rights, etc., related to each other and structured within the address of the website and (or) the account of the owner of this website -sites accessed through the Internet address, which may consist of a domain name, records of directories or calls and (or) a numerical address according to the Internet Protocol;

web page - an integral part of the website, which may contain data, electronic (digital) information, other objects of copyright and (or) related rights, etc .;

Website owner - a person who owns an account and establishes the terms and conditions of use of the website. In the absence of evidence from another, the owner of the website is the registrant of the relevant domain name under which the website is accessed, and (or) the recipient of hosting services ;

Website owner - a person who owns an account used to place a web page on a website and who manages and (or) places electronic (digital) information within such web page. A website owner is

not the owner of a website if the latter has an account that allows him or her, independently of the website owner, to post and manage information on the website;

hyperlink - formalized in accordance with the standards of the Internet record of the address of the website or part thereof (web pages, data). If the hyperlink addresses a part of the website (web page), then, in addition to the domain and (or) numeric address according to the Internet Protocol, it may contain additional entries about directories or calls and conditions of access to the website, which may be reproduced or stored on devices that can read and reproduce electronic (digital) information using the Internet;

electronic (digital) information - audiovisual works, musical works (with or without text), computer programs, phonograms, videograms, programs (transmissions) of broadcasting organizations in electronic (digital) form, suitable for reading and reproducing computers which may exist and (or) be stored in the form of one or more files (parts of files), records in a database on storage devices of computers, servers, etc. on the Internet, as well as programs (transmissions) of broadcasting organizations that are relayed using the Internet;

camcording - a video recording of an audiovisual work during its public demonstration in cinemas, other cinematographic establishments by persons who are in the same room where such public demonstration takes place, for any purpose without the permission of the subject of copyright or related rights;

card sharing - providing in any form and in any way access to the program (transmission) of the broadcasting organization, access to which is limited by the subject of copyright and (or) related rights using technical means of protection (subscriber card, code, etc.), bypassing such technical means of protection, as a result of which the specified program (transmission) may be received or otherwise available without the use of technical means of protection;

account - a formalized according to Internet standards record on computer equipment (computers, servers) connected to the Internet, which identifies the user (for example, the owner of the website) on such equipment, includes data on access to parts of catalogs and software of computer equipment, as well as determines the rights of such access that allow the account holder to add, delete, change electronic (digital) information and website data, provide access to the website or its parts, individual data to other persons, terminate the operation of such website or part of it within the account;

Hosting service provider - a person who provides website owners with services and (or) resources for hosting websites or their parts on the Internet and providing access to them via the Internet. A website owner who places his or her website or part of it on the Internet on its own resources and (or) independently provides access to it using the Internet is at the same time a hosting service provider ";

in Article 50:

in the first paragraph, replace the words "judicial protection" with the words "protection of such rights, including judicial";

paragraph "b" shall be worded as follows:

"b) piracy in the field of copyright and (or) related rights - publication, reproduction, import into the customs territory of Ukraine, export from the customs territory of Ukraine and distribution of counterfeit copies of works (including computer programs and databases), phonograms, videograms, illegal publication of programs of broadcasting organizations, camcording, cardsharing, as well as Internet piracy, ie committing any actions that are recognized as infringing copyright and (or) related rights using the Internet in accordance with this article ";

add paragraph "c" to read as follows:

"c) camcording, cardsharing ";

in the first part of Article 52:

paragraphs five and six after the word "claim" add the words "to the court";

add the twelfth paragraph to read as follows:

"i) to protect copyright and (or) related rights in the manner prescribed by Article 52<sup>1</sup> of this Law";

to supplement Articles 52<sup>1</sup> and 52<sup>2</sup> with the following content:

" **Article 52<sup>1</sup>**. The procedure for termination of violations of copyright and (or) related rights via the Internet

1. In case of infringement by any person of copyright and (or) related rights committed using the Internet, the subject of copyright and (or) related rights (hereinafter - the applicant) has the right to apply to the owner of the website and (or) a web page on which the relevant electronic (digital) information is posted or otherwise used, with a statement on termination of the violation. The application for termination of the violation shall be submitted in accordance with the procedure provided for in this Article.

The procedure for protection of copyright and (or) related rights, defined by this article, applies to relations related to the use of audiovisual works, musical works, computer programs, videograms, phonograms, programs (programs) of broadcasting organizations.

2. The application for termination of the violation must contain:

a) information about the applicant, necessary for his identification: name (title); place of residence (stay) or location, e-mail address or postal address to which the website owner or other persons in the cases provided by this Law must send information; for applicants - legal entities - identification data on the registration of a legal entity in the country of location, in particular in the commercial, banking, court or state register, including details of the register, registration number;

b) the type and name of the object (objects) of copyright and (or) related rights, the violation of which (which) is referred to in the application;

c) a reasoned statement that the applicant has intellectual property rights to the object of copyright and (or) related rights specified in the relevant application, with reference to the grounds for such rights and their validity;

d) hyperlinks to electronic (digital) information posted or otherwise used on the website;

e) the requirement to prevent access to electronic (digital) information on the website;

e) information about the hosting service provider that provides services and (or) resources for hosting the relevant website, namely: name; the e-mail address or postal address to which the website owner or other persons must send information in the cases provided for by this Law;

f) the applicant's statement that the information provided in the application is reliable, and the applicant's rights, the violation of which is alleged, have been verified by a lawyer, through whose representation (mediation) the application is submitted.

The applicant applies for termination of the violation only through the representation (mediation) of a lawyer. The lawyer sends the relevant application, provided that the applicant is identified, his contact details are established and the documents provided by the applicant confirm the fact that the applicant has the rights to terminate the violation of which a request is made.

The application is accompanied by a copy of one of the documents that, in accordance with the legislation on advocacy and advocacy, certifies the authority of the lawyer to provide legal assistance to the applicant.



The applicant (the applicant's official) is responsible for providing knowingly inaccurate information about the existence of intellectual property rights, the violation of which is referred to in the application.

The applicant sends a termination notice to the website owner and a copy is sent to the hosting provider that provides the services and (or) resources to host the website.

3. In the absence of the circumstances provided for in part four of this article, the website owner shall immediately, no later than 48 hours from the receipt of the application for termination of the violation, be obliged to deny access to electronic (digital) information in respect of which the application is submitted. and the hosting provider information on the measures taken in accordance with the requirements of this article.

4. A person who has received an application for termination of the violation may refuse to satisfy it if:

a) the person to whom the applicant has applied for termination of the violation has the right to use the electronic (digital) information specified in the application, the use of which is addressed, subject to notification of refusal in accordance with the requirements set out in part five of this articles;

b) the person to whom the application for termination of the violation has been sent is not the owner of the website specified in such application;

c) the application for termination of the violation is made in violation of the requirements specified in this article, provided that the person who received it informs the applicant in accordance with the requirements established by part five of this article.

5. On refusal to satisfy the application for termination of the violation on the grounds provided for in paragraphs "a" and "c" of part four of this article, the website owner within 48 hours of receipt shall notify the applicant and the hosting provider according to with the information specified in the relevant application in accordance with paragraph "e" of part two of this article.

The notice of refusal must contain the following information:

a) information about the owner of the website in the amount sufficient for filing a statement of claim: name (title) of the owner of the website; place of residence (stay) or location, e-mail address or postal address; if the owner of the site is a legal entity - identification data on the registration of the legal entity in the country of location, in particular in the commercial, banking, court or state register, including details of the register, registration number;

b) indication of electronic (digital) information on the denial of access to which is denied;

c) indication of the relevant provision of part four of this article, on the basis of which the owner of the website refused to satisfy the application for termination of the violation.

6. If the owner of the website, who received the application for termination of the violation, is not the owner of the website, which contains electronic (digital) information on the denial of access to which is claimed, the rights and obligations between the owner of the website and the applicant are set taking into account the features provided for in this part.

The website owner is obliged to send a copy by e-mail (or other messaging system accepted on the website) to the website owner within 24 hours of receiving the application for termination of the violation. The application is sent according to the contact details provided by the website owner to the website owner.

The website owner sends a notice to the website owner at the same time as sending the application to stop the violation, informing the applicant that he is not the owner of the website, indicating the time of sending a copy of the application to the website owner and providing hyperlinks to the public transaction. determines the rules of use of the website by third parties.

The owner of the website considers the application for termination of the violation received from the website owner and is obliged to provide a response to the website owner in the manner and terms established by parts three to five of this article, indicating a hyperlink to the website relevant electronic (digital) information is posted. In this case, the owner of the website exercises the rights and fulfills the obligations established by parts three to five of this article for the owner of the website.

The owner of the website within 24 hours from the date of receipt from the owner of the website of the response to the application for termination of the violation sends it to the applicant and the hosting provider according to the details specified in the application. If within 48 hours of sending the owner of the website a statement of termination of the violation, the website owner did not provide the website owner with a response on the grounds and in the form prescribed by parts four and five of this article, the website owner makes it impossible access to the electronic (digital) information specified in the application for termination of the violation. The website owner shall notify the applicant and the hosting provider of the measures taken within 72 hours from the receipt by the website owner of the application for termination of the violation and provide information about himself to the extent specified in paragraph "a" of part five of this article.

If within 48 hours of sending the owner of the website a statement of termination of the violation, the owner of the website provided a notice of refusal on the grounds and in the form prescribed by parts four, five of this article, a copy of such notice shall be sent by the website owner to the applicant. no later than within 72 hours from the receipt by the website owner of the application for termination of the violation.

7. The applicant has the right to apply directly to the hosting service provider that provides the services and (or) resources to host the relevant website, with a request to terminate the violation committed by the owner of the website, in the following cases:

a) the owner of the website has not committed or has not fully committed the actions provided for in part three or five of this article within the period specified in this article, or if the owner of the website who is not the owner of the website has not acted or committed not in full the actions provided for in part six of this article;

b) the website and public databases of domain name records (WHOIS) do not contain information about the owner of the website to the extent that allows to apply to him with a statement of termination of the violation provided for in part two of this article. Such information is information about the e-mail address for communication with the owner of the website and other information, the placement of which is provided for in part eleven of this article.

The statement of termination of the violation committed by the owner of the website must contain a justification of the grounds for contacting the hosting provider , provided for in paragraph "a" or "b" of part seven of this article.

The applicant applies to the hosting service provider that provides the services and (or) resources to host the relevant website, with a corresponding application through the representation (mediation) of a lawyer. The lawyer sends the application, provided that the applicant is identified, his contact details are established, and the documents provided by the applicant confirm the fact that the applicant has rights, the termination of which is referred to in the relevant application.

The application for termination of violations committed by the owner of the website must contain the information provided for in paragraphs "a", "d", "e", "e" of part two of this article. The application is accompanied by a copy of one of the documents that, in accordance with the legislation on advocacy and advocacy, certifies the authority of the lawyer to provide legal assistance to the applicant. In the cases provided for in paragraph "a" of part seven of this article, the statement shall indicate the time of submission to the website owner and hosting provider of the application for termination of the violation, the time when the website owner had to take the actions provided for in this article. the applicant thus identified the contact details of the website owner.

In the absence of grounds for leaving the application for termination of the violation by the website owner without consideration, set out in part eight of this article, the hosting provider must immediately, no later than 24 hours from receipt of such application, send a copy to the website owner. When sending a copy of the application to the website owner, the hosting provider must explain to the website owner his rights and obligations related to this application, as well as the legal consequences of his failure to take the actions provided for in this article.

The website owner shall, within 24 hours of receiving from the hosting provider a copy of the application for termination of the violation by the website owner, take the actions provided for in part three or five of this article and notify the hosting provider by sending a notice measures in accordance with the requirements of part twelve of this article or notice of refusal on the grounds and in the form prescribed by parts four, five of this article.

If within 24 hours from the moment of sending to the website owner a copy of the application for termination of the violation the website owner has not taken the actions provided for in paragraph eight of this part, the hosting provider shall disable access to electronic (digital) information specified in the application for termination. violation committed by the website owner. The hosting provider shall notify the applicant and the website owner of the measures taken within 48 hours from the receipt by the hosting service provider of the application for termination of the violation committed by the website owner.

8. The hosting provider has the right to leave without consideration the application for termination of the violation committed by the owner of the website, if:

- a) the application does not meet the requirements established by part seven of this article;
- b) the hosting service provider does not provide services, resources for hosting the website for which the application is submitted;
- c) the applicant has applied to the hosting service provider in the absence of the grounds provided for in part seven of this article.

The hosting service provider shall notify the applicant of the non-consideration of the application for termination of the violation, indicating the relevant legal grounds provided for in this part, within 24 hours of receipt.

9. The owner of the website has the right to apply to the hosting service provider , from which he received information about the measures taken in accordance with part seven of this article, with a notice of refusal on the grounds and in the form prescribed by parts four, five of this article. restoration of access to electronic (digital) information. If such a request meets the requirements set out in part five of this article for a notice of refusal, the hosting provider must immediately, no later than 48 hours after receipt, send the applicant a copy. If the notice does not meet the requirements of part five of this article for the notice of refusal, the hosting provider shall inform the website owner.

10. The hosting service provider shall restore access to electronic (digital) information on the tenth working day from the date of sending the applicant a copy of the notice provided for in part nine of this Article, if during this time the applicant has not provided confirmation of the opening of legal proceedings. object (objects) of copyright and (or) related rights (electronic (digital) information), in respect of which the application for termination of the infringement was submitted.

11. Website owners and hosting service providers , other than natural persons who are not business entities, are obliged to place freely accessible records on their own websites and (or) in public databases of domain name records (WHOIS) such reliable information about yourself:

- a) full name or title of the website owner and hosting provider ;
- b) the full address of the residence or location of the website owner and hosting provider ;

c) contact information of the website owner and hosting service provider , including e-mail address, telephone number, which can be contacted promptly .

Individuals who are not business entities shall make freely available on the websites they own or in public databases of domain name records (WHOIS) the contact information of the website owner provided for in paragraph "c" of this parts.

12. The notification of the measures taken, which shall be sent to the applicant in accordance with this Article, shall, inter alia, contain reliable and complete information about the website owner specified in the application. If the Host Provider takes notice of the action taken, the message must also contain information about that provider and the complete information provided to it by the website owner, without any changes or distortions. The information about the owner of the website consists of information about his full name (name), address (location), mailing address, telephone number, e-mail address and, if available, other contact information for communication. If the owner of the website (or the owner of the website in the implementation of the procedures provided for in part six or seven of this article) receives a notice of refusal, a copy must be attached to the notice of action taken.

13. On the basis of this Law, it is allowed to prevent access only to electronic (digital) information specified in the application for termination of the violation. If access to electronic (digital) information cannot be prevented for technical reasons, the website owner or hosting provider may deny access to the web page that contains the relevant electronic (digital) information.

14. The statement of termination of the violation and the statement of termination of the violation by the website owner shall be submitted in writing in paper and (or) electronic form.

The application in electronic form is made in accordance with the requirements of the legislation in the field of electronic documents and electronic document management with the mandatory use of technical means of certifying the electronic digital signature of a lawyer who provides legal assistance to the applicant. Simultaneously with the sending of such an application in electronic form, the applicant sends to the same address a copy of it in the usual electronic form without the use of electronic digital signature. If the application in electronic form with the technical means used in it to certify the electronic digital signature of a lawyer differs in content from the application in ordinary electronic form sent to the same addressee, such application shall be deemed not submitted.

The application in paper form is made out with the obligatory handwritten signature of the lawyer and is sent by the registered letter with the notice of delivery.

The date and time of receipt of the application provided for in this Article are:

- a) in the case of sending by e-mail - the date and time of sending by electronic means;
- b) in case of sending by registered letter with notice of service - the date and time specified in the notice of service.

If the addressee refuses to receive the application or is absent at the specified address , the day and date of receipt of the application is the day and date of affixing by the postal operator in the notice of refusal to receive the application or information about the absence of the addressee at the specified address .

The response (notification) to the application, sending a copy of the application provided for in this article shall be set out in writing in paper and (or) electronic form.

The date and time of receipt of the response (notification) to the application provided for in this Article and / or the sent application shall be considered:

- a) in the case of sending by e-mail - the date and time of sending by electronic means;

b) in case of sending by registered letter with notice of service - the date and time specified in the notice of service.

If the addressee refuses to receive a response (notification) to the application or is absent at the specified address, the day and date of receipt of the response (notification) to the application is the day and date of affixing by the postal operator in the notice of refusal to receive a response (notification) on the application or information about the absence of the addressee at the specified address.

15. The owner of the website, web page is not responsible for infringement of copyright and (or) related rights committed using the Internet, if he timely committed the actions provided for in part three of this article.

The provisions of the first paragraph of this part shall not apply if:

a) the owner of the website within three months, despite the received and satisfied applications for termination of violations, allowed at least two cases of use on one or more websites owned by him, the same object of copyright, and (or) related rights on the same website;

b) the owner of the website, who is not the owner of the website, within three months, despite the received and satisfied applications for termination of violations, allowed at least two cases of use of the same object of copyright and (or) related rights on the same website.

**Article 52**. Obligations of hosting providers to ensure the protection of copyright and (or) related rights using the Internet

1. Hosting service providers are obliged to provide in contracts for the provision of such services conditions and rules prohibiting service customers from taking actions to post electronic (digital) information in violation of copyright and (or) related rights of third parties, and also oblige customers of services to indicate reliable and correct information about themselves, including their contact details, and in case of their change - to immediately inform about it in the manner prescribed by law.

2. The service provider hosting does not bear such services to the customer liable for the consequences of measures under Article 52 hereof, subject to the requirements of this Article.

The hosting service provider shall not be liable for infringement of copyright and (or) related rights, provided that the requirements of Articles 52 of this Law are met";

7) [part two of](#) Article 12 of the Law of Ukraine "On Advertising" (Vidomosti Verkhovnoi Rady Ukrainy, 2004, № 8, Art. 62; 2008, № 18, Art. 197) shall be worded as follows:

"2. Social advertising shall not contain references to a specific product and / or its manufacturer, to the advertiser (except in cases where the advertiser is a public association or charitable organization), to objects of intellectual property rights belonging to the manufacturer of the product or the advertiser. social advertising, except for advertising of national films.

Advertising of national films is equated to social advertising and may be placed and distributed, subject to compliance with the requirements established by the twelfth paragraph of the first part of Article 8 of this Law";

8) [Section VIII](#) "Final and Transitional Provisions" of the Law of Ukraine "On Collection and Accounting of the Single Contribution for Compulsory State Social Insurance" (Vidomosti Verkhovnoi Rady Ukrainy, 2011, № 2-3, Art. 11 as amended) shall be supplemented paragraphs 1 of the following content:

"1. To establish that the payment by a resident of Ukraine of income to natural persons - non-residents who carry out business activities in the field of cinematography not on the territory of Ukraine, is not subject to accrual of a single contribution to compulsory state social insurance";

9) in the [Law of Ukraine "On Electronic Commerce"](#) (Vidomosti Verkhovnoi Rady Ukrainy, 2015, № 45, Art. 410):

[the fourth part of](#) Article 9 shall be supplemented with the second and third paragraphs of the following content:

"A provider of intermediate information services that provides intermediate (temporary) storage of information provided by the recipient of the service, with the sole purpose of improving the further transmission of information to other recipients at their request, is not responsible for automatic, temporary and intermediate storage of information and for damage caused by the use of such services, provided that it does not change the content of information, meets the conditions of access to information, including legal requirements for access to information about the owner of the network resource, follows the rules of updating information in a manner recognized and used in industry, does not interfere with the lawful use of technologies that are recognized and used in industry, when obtaining data on the use of information takes quick action to prevent access to information stored, after he learned that the information in the original source of transmission was deleted from network or access to it is impossible, or there is a court decision to remove or deny access.

An intermediary information service provider that provides ongoing storage services at the request of the hosting service provider shall not be liable for the content of the transmitted or received information stored at the request of the service provider and for damage caused by the use of such services, provided that it has no information about the illegal activity or facts or circumstances that indicate that the activity shows signs of illegal activity, or regarding claims for damages from such illegal activity, and the supplier, after receiving such information, takes prompt action to eliminate access or termination of access to information, including in accordance with the requirements of copyright and related rights legislation ";

[Article 17](#) shall be supplemented with part four as follows:

"4. The intermediary service provider shall be liable for the content of the transmitted and received information and for the damage caused as a result of using the results of such services, provided that any of the circumstances relieving him of liability established by Article 9 of this Law are absent." .

4. From the date of entry into force of this Law, laws and other normative legal acts shall apply to the extent that they do not contradict this Law.

5. The Cabinet of Ministers of Ukraine within three months from the date of entry into force of this Law:

submit to the Verkhovna Rada of Ukraine draft laws of Ukraine on amendments to the [Budget](#) and [Tax](#) Codes of Ukraine in order to ensure the practical implementation of the provisions of this Law;

ensure the adoption of acts necessary for the implementation of this Law, including the unified state system of electronic accounting of tickets sold by cinemas, "Single electronic ticket";

bring their regulations in line with this Law;

to ensure that ministries and other central executive bodies bring their regulations in line with this Law.

6. Competitive selection of film projects for the formation of the Program of Production and Distribution of National Films, initiated before the entry into force of this Law, shall be completed by inclusion of film projects with the highest score in the Program of Production and Distribution of National Films within the terms and conditions film projects for the formation of the Program of production and distribution of national films, approved by the central executive body that ensures the formation of state policy in the field of cinematography, and the legislation of Ukraine.

Films that are included in the Program of Production and Distribution of National Films based on the results of competitive selection of film projects for the formation of the Program of Production and Distribution of National Films started or conducted before the entry into force of this Law, or by a central executive body implementing state policy in cinematography, concluded state contracts for the production of national films on the terms of the state order (or contracts for financial support of film production) before the entry into force of this Law, must be completed by production.

7. State support of cinematography in the forms provided for in [Article 7 of this Law](#) shall be provided after the establishment by the Cabinet of Ministers of Ukraine of the Council for State Support of Cinematography.

<b>President of Ukraine</b>	
<b>Kyiv , March 23, 2017 № 1977-VIII</b>	

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## **CULTURAL TEST**

### Cultural criteria

1. The plot line / script / central theme of the film is based on events that are part of Ukrainian or European culture / history / mythology / religion - 2 points.

(This criterion applies to works based on events or cases that are part of traditional Ukrainian or European culture / history / mythology / religion)

2. The film is based on a character / personality of Ukrainian / European culture / history / religion or Ukrainian / European society - 2 points.

(This criterion applies to works based on well-known characters / personalities who play a significant role in the plot)

3. The plot line of the film is related to the Ukrainian / European environment / place / locality / architectural or cultural environment - 2 points.

4. The plot line / script / central theme of the film is based on a Ukrainian or European literary work or on an adapted work of other artistic disciplines of cultural significance (fine arts, music, etc.) - 2 points.

5. The plot line / script / central theme of the film focuses on contemporary cultural / social themes of Ukrainian or European society - 2 points.

6. The film reflects an important Ukrainian and (or) European value (values): solidarity / equality / protection of human rights / tolerance / environmental protection / respect for cultural or family traditions / critical thinking / rule of law - 2 points.

7. The film focuses on Ukrainian / European culture / identity or Ukrainian / European customs and traditions - 2 points.

8. The plot line / script / central theme of the film focuses on current or historical events that affect European / Ukrainian society - 2 points.



(This criterion applies to works based on contemporary or historical situations / cases that have an impact on contemporary European / Ukrainian society)

#### Production criteria

9. The filmmakers are citizens of Ukraine or member states of the European Union:

director, producer / co-producer, cinematographer, screenwriter, lead actor, supporting cast, music author, production designer, costume designer, editing director, make-up artist, production director, editing and tinting period (post-production) and the head of the department of visual effects, director (first assistant director) - 1/2 point for each case of compliance, maximum 7 points.

10. At least 51 percent of the members of the film crew (except those mentioned in paragraph 9) are citizens of Ukraine or the European Union - 4 points.

11. Shooting takes place in nature, in interiors or studios in Ukraine - 4 points:

if the shooting takes place for at least one day - 1 point;

if the number of filming days in Ukraine is 10 percent of the total number of filming days - 2 points;

if the number of filming days in Ukraine is 25 percent of the total number of filming days - 3 points;

if the number of filming days in Ukraine is 50 percent of the total number of filming days - 4 points.

12. Ukrainian service providers are involved in the production of the film.

For the purposes of applying this criterion, "Ukrainian service providers" means economic entities that are residents of Ukraine.

When the applicant engages any service provider whose services are directly related to the production process, points for which are awarded in accordance with criteria 12 or 14, points for the involvement of such service providers under this criterion are not awarded.

Thus, if the film is shot in locations (premises) or premises (studios, pavilions, etc.) in Ukraine, the scores under criterion 13 will be provided for those service providers who are directly involved in the work (services) of the preparatory period.

Points are awarded on the basis of a percentage calculation in accordance with the following methodology:

if Ukrainian service providers were involved in the works (services) of the preparatory period in Ukraine for at least one day, - 1 point;

if Ukrainian service providers were involved in the works (services) of the preparatory period by at least 10 percent of the total number of days of the preparatory period - 2 points;

if Ukrainian service providers were involved in the works (services) of the preparatory period by at least 25 percent of the total number of days of the preparatory period, - 3 points;

if Ukrainian service providers were involved in the works (services) of the preparatory period by at least 50 percent of the total number of days of the preparatory period, - 4 points.

13. Editing (including editing of image and sound, construction of a soundtrack, location of laboratories) is carried out in Ukraine - 0,5-2 points:

if the works of the assembly and toning period were carried out in Ukraine for at least one day, - 0.5 points ;

if the works of the installation and tinting period were carried out in Ukraine for at least 10 percent of the total number of days of installation, - 1 point;

if the works of the installation and tinting period were carried out in Ukraine for at least 25 percent of the total number of days of installation, - 1.5 points ;

if the work of the installation and tinting period was carried out in Ukraine for at least 50 percent of the total number of days of installation, - 2 points.

14. Computer graphics (CG), including work on the creation of effects of simulation of physical processes (VFX), created in whole or in part (not less than 50 percent of the total timing of computer graphics and effects) in Ukraine, - 1 point.

15. The amount of money spent on the estimated cost of the film in Ukraine - 0.5-4 points:

if the amount spent on the estimated cost of the film in Ukraine is more than 10 percent of the estimate - 0.5 points ;

if the amount spent on the estimated cost of the film in Ukraine is more than 20 percent of the estimate - 1 point;

if the amount spent on the estimated cost of the film in Ukraine is more than 30 percent of the estimate - 2 points;

if the amount spent on the estimated cost of the film in Ukraine is more than 50 percent of the estimate - 4 points.