

## REPORT

### Pre-COVID 19 Condition

The year 2019 marks a 10-year boom period for Bulgarian TV series, both on state television and on the two major private broadcasters. In the period from 2009 to 2019, more than 30 productions with more than 6 episodes have been produced, with 90% of them being original projects by Bulgarian writers and a small part being bought formats from abroad. As the budgets of state television for series production are approximately three times higher than private ones, the medium manages to produce series with high artistic qualities and to be a competitor on global markets. The budgets of state television in this period were in the range of EUR 80 000 per episode, while those of private media hovered between 25-35 000 per episode. The crime series "Undercover" produced by state television, for example, has been sold almost worldwide and other productions such as the miniseries "Father's Day" have received international acclaim at prestigious festivals and forums.

Productions that have run successfully for more than 10 seasons and produced over 100 episodes are appearing on private television for the first time. Media outlets are now able to sell the productions outside the country as well. Unfortunately, in terms of royalties, only the state television pays out royalties from overseas sales and re-broadcasts.

Bulgarian feature films have also seen an increase in viewer interest following the emergence of successful and quality commercial and arthouse products financed by both state and private funds. Bulgarian producers and authors are making considerable efforts and increasingly reaching international forums and even A-class festivals. The film "The Judgement" participated in the "A Special Look" at the Cannes Film Festival in 2017, "Aga" closed the Berlinale in 2018 and the film "The Father" won the Grand Prix at the Karlovy Vary Film Festival in 2019.

State funding is available after a competition through the National Film Centre. The annual budget as of 2019 for the production of Bulgarian films financed by the state reaches BGN 18 million (EUR 9 million), which makes it possible to produce about 5-6 feature-length films.

This period of increased production of films and series contributes to the growing demand for professional screenwriters with experience. Paradoxically, however, budgets for series on private television have been falling year by year, from 40,000 euros per episode in 2010 to 20,000 euros per episode in 2019. Add to this the fact that some producers prefer to use their own teams of salaried scriptwriters rather than rely on freelance professionals, script fees are not following an upward trend, but remain unchanged from 2010 levels.

## **LOCKDOWN and COVID-19 - 2020-2021**

The pandemic period of COVID 19 in 2020 and 2021 coincided with a severe political crisis in the country - a series of national elections and changes of governments. Advertising budgets, cancelled events and frequent lockdown periods led to the cancellation of a number of film premieres and the postponement of many series already in production.

Thus, in 2021, the National Film Centre, which finances Bulgarian cinema, went into crisis, resulting in a zero year for state funding. EUR 5.5 million had to be returned to the state budget because of the delayed adoption of the Film Industry Act and its regulations, as well as the delayed notification of state aid that the Film Centre had to send to the European Commission.

Our film community, which has been rocked by conflicts, has also contributed to worsening the situation. In every National Film Centre funding session, at least one category was blocked with appeals so that funding could not be granted. Again, this led everyone to conclude that there was a big problem with the rules in competitive film sessions.

Eventually, in 2021, a new law was passed for the film industry, which increased the total annual budget for cinema significantly, from €9 million to €15 million. The law also attempts to resolve some of the long-standing problems of competitive funding for Bulgarian cinema. Some of the fundamental changes are:

- the members of the project evaluation committee will now be chosen by lot, rather than, as was the case before, each industry organisation nominating its own representative, which often led to corrupt practices
- A so-called "acceptance committee" was introduced to monitor whether the finished film was radically different from the project for which the subsidy was taken.
- Tax incentives were also introduced for foreign productions shooting in the country.
- And one of the most important innovations - for the first time, a state funding scheme for series was introduced.

Our organisation was active in the drafting of the regulations implementing the law, and we fought for an increase in the weight of the screenplay in the final evaluation of projects and objective service evaluations by which to judge the audience and festival success of the producer, director and screenwriter. Our proposals were accepted in the provisional draft, but at the last minute the texts were replaced by a group of filmmakers (mainly directors) close to the Minister of Culture. As a result, scriptwriters are again ignored and their importance as authors is underestimated.

The regulations came into force this year, but created real chaos in the industry because of some texts that were not clear enough or even contradicted the law.

Already in the first session under the new law and the new regulations, there were again complaints and blocked projects. Screenwriters and their work unfortunately continue to be neglected and often used only for the needs of the application. Pay levels in the film industry have remained unchanged.

In television, the situation has calmed down. Major private media have restored series production to pre-pandemic levels. The Bulgarian National Television has reopened its regular competition sessions for films and series, but with budgets reduced by 40%. The justification for the cuts in funding for individual projects was mainly the low budget levels in private television, but in reality television is in crisis and is trying to shore up its financial position. It should be noted that in the private sector, fees have been unchanged since 2010. There is also a tendency on the part of TV stations to reduce budgets, although this is leading to an increasingly noticeable decline in the quality of productions and a consequent outflow of viewers from on-air television.

### **Current situation and future prospects**

The flawed rules implementing the Film Industry Act continue to cause damage. Due to a number of appeals, this year almost EUR 6 million of the budget allocated to cinema remained unused and was returned to the national budget. An additional EUR 7.5 million in a transit account earmarked for the payment of tax relief is also likely to be returned to the budget. Our hope is that at least EUR 1.5 million for series projects will be absorbed.

A new adjustment of the regulations under which the law is applied and the competition sessions are held is forthcoming. The paradox is that, after three failed parliaments and one short government, the caretaker Minister for Culture is now the same one who approved this bad text a year and a half ago.

### **What's ahead**

The positive news is that in the last two years some writers have taken a more prominent role in the productions they are involved in, receiving credits as creative producers for the first time. Also, our organization, along with other like-minded organizations of directors, cinematographers and producers, is actively in talks to introduce collective bargaining agreements. We are also discussing joint action to improve pay and working conditions.

We should mention that together with CMO Filmautor (our collective management organisation) we have a battle ahead of us in relation to the adoption of the forthcoming Copyright and Related Rights Act. Our aim is to have the law implemented according to European directives so that authors receive fair royalties from repeats, retransmissions by private media and broadcasters, and from sales abroad.

In the meantime, we at BAFTRS are actively working to shine a light on the importance of screenwriters so that our work gets the recognition and respect it deserves. One of our next steps is a conference we are preparing for early in 2023, to which foreign guests will be invited.

The organisation itself is gradually growing and currently includes Bulgaria's most active writers with very few exceptions. The re-election of our President Prof. Dr. Stanislav Semerdjiev and the renewal of the members of the Managing Board of the organization provides new opportunities to influence the processes in the film industry in Bulgaria. BAFTRS has set both long-term (mentioned before) and short-term goals, including:

- Increasing the number of professional members of the organization in order to protect their rights as screenwriters

- Organisation of a conference with foreign guests aimed at:
  - discussing a strategy to achieve BAFTRS's long-term objectives in relation to copyright, collective agreements and the protection of screenwriters
  - organising a screenwriter visibility campaign linked to the conference
- with a view to better positioning ourselves in the market (both domestic and external), we decided to explore base rates/budgets in neighbouring and nearby countries
- exploring the issue, also discussed at WCOS and FSE, of unifying credits in Bulgaria compared to those abroad (benchmarks for individual credits)

Although almost solitary in its actions (due to the splits in the other guilds), BAFTRS is positioned as the most active and unified guild in audiovisual in Bulgaria. The organization remains firmly committed to defending the rights of Bulgarian screenwriters and upholding its high moral calling as a pillar of the development of arts in Bulgaria.