# **MACEDONIA: Country Report 2017**

Macedonian film production budget remained high in 2017 with an annual budget from the <u>Macedonian Film Agency</u> of around 6 m EUR.

<u>Cinesquare.net</u>, the first VOD based in Macedonia and available in 12 more Southeastern European countries was launched during the Cannes Film Festival 2017. In 2017 Macedonia had its first day-and-date release.

The <u>Macedonian Association of Film Producers</u> became a member of the International Federation of Film Producers Associations (FIAPF). Also in May 2017, the <u>Association of Macedonian Film Distributors (AFIDI)</u> became a member of the International Federation of Film Distributors' Associations (FIAD).

<u>MIDPOINT Intensive Macedonia</u>, a professional training programme, opened to Macedonian creative teams of filmmakers in Ohrid.

Macedonia hosted the 148th <u>Eurimages</u> Board of Directors Meeting, which ran in October 2017 and was organised by the Macedonian Film Agency.

Researcher, cultural manager and culture critic Robert Alagjozovski was appointed Minister of Culture under the new Prime Minister Zoran Zaev at the end of June 2017. He succeeded Elizabeta Kanceska-Milevska, who ran the <u>Ministry of Culture</u> since 2008.

The <u>Macedonian Government</u> named Gorjan Tozija as Acting Director of the <u>Macedonian Film</u> <u>Agency</u> on 10 August 2017. He replaced Mimi Gjorgoska Ilievska, who had been appointed in November 2015.

The <u>Macedonian Film Agency</u> announced a decision to annul the call for production support for feature films, documentaries, short films and animated films in February 2017 and announced a new call for production support in November 2017.

In 2017 Macedonia decided not to send any film to the Oscars.

## PRODUCTION

Three domestic feature films were shot in Macedonia in 2017 and all were debut features: Ilija Piperkoski's Macedonian/Romanian coproduction *Grandpa and Grandson / Dedo i vnuk*, produced by Pandora's box production in coproduction with Dream Factory and Romania's Alien film, Borjan Zafirovski's Macedonian/Albanian/Kosovo coproduction *The Happiness Effect / Efektot na srekata* (a coproduction between the Macedonian companies New Macedonian Video, <u>New Moment</u> and <u>Video House Animation</u>, Albanian Lissus Media and Kosovo's B2 – PR & Media Solutions) and Jani Bojadzi's *Angel's Breath / Zdivot na angelot* (coproduced by Orion Production, Icon Plus from Greece and Maku Production from Albania).

Scenes from the action thriller *Vijay 61*, directed by Atlee Kumar, were shot in Macedonia in 2017. This is the first Bollywood film that benefited from the film incentives programme available in the form of a cash rebate of 20% on qualifying Macedonian spend. The film is produced by the Indian production and distribution company Sri Thenandal Films.

Also, the Turkish children film *Honey Cream / Bal Kaymak*, directed by Onur Tan and produced by Big Play Entertainment, was filmed in Macedonia in 2017. This is the second film that applied for tax incentives in Macedonia.

The Croatian/Montenegrin/Macedonian coproduction *Escape to the Sea / Bijeg do mora*, directed by Veljko Bulajic, went into production in 2017. The film is a coproduction between <u>Gral</u> <u>Film</u>, Dogma Studio and Geyzer Film from Macedonia.

The Serbian/Croatian/Macedonian coproduction *Leeches / Pijavice*, by Serbian director Dragan Marinković, went into postproduction in 2017. The film is a coproduction between <u>Zillion</u> <u>Film</u>, <u>InterFilm Produkcija</u> and <u>Pank Film</u>.

The Serbian/Macedonian children film *Hunters / Zloginje*, directed by Raško Miljković, was also shot in 2017. It is produced by Akcija Production in coproduction with <u>Dream Factory</u>.

The first Georgian/Macedonian coproduction *Neighbors*, directed by Gigisha Abashidze, went into postproduction in 2017 and is set to be released in 2018. The film is a coproduction between <u>Studio Artizm</u>, Gemini and <u>Small Moves Films</u>.

#### DISTRIBUTION

<u>MCF MK</u>, Konstantin film, <u>Kt Film & Media</u>, <u>Cutaway</u> and <u>Uzengija</u> continue to be the main distributors in Macedonia.

Macedonian distributors received distribution support from the Creative Europe <u>MEDIA</u> <u>Programme</u> for the first time in 2017.

<u>Cinesquare.net</u>, the first VOD based in Macedonia and available in 12 more Southeastern European countries, was launched during the Cannes Film Festival 2017. The platform is a project of <u>Cutaway</u> and is supported by <u>Eurimages</u>, the <u>Council of Europe</u> and the <u>Macedonian</u> <u>Film Agency</u>.

In 2017 Macedonia also had its first day-and-date release with the Dutch children film *Little Gangster,* directed by Arne Toonen, which was simultaneously released by <u>Cutaway</u> in cinemas and on <u>Cinesquare.net</u>.

There is still little interest in domestic and regional films, but the Macedonian/Greek coproduction *The Secret Ingredient / Iscelitel*, directed by Gjorche Stavrevski, was released by <u>Fragment Film</u> in cinemas on 20 November 2017, becoming the most watched domestic film of the year with 9,000 admissions by the end of December 2017.

The list of films with the most admissions in 2017 includes: *The Fate of the Furious, Fifty Shades Darker, Murder on the Orient Express, The Beauty and the Beast, Why Him?, Logan, Baywatch, It, Star Wars: The Last Jedi, Kingsman: The Golden Circle* and the Macedonian *The Secret Ingredient.* 

The domestic films which opened in cinemas in 2017 are: the comedy *Oh My Love / Ah ljubov moja*, directed by Kole Angelovski, produced by <u>Award Film&Video</u> and distributed by <u>Award Film&Video</u> and <u>KT Film & Media</u>; the independent indie production *Horse Riders / Javachi na konji*, directed by Marjan Gavrilovski and produced & distributed by <u>Emperor Production</u>; the Macedonian/Belgian/Slovenian coproduction *When the Day Had No Name* by Teona Mitevska,

produced by <u>Sisters and Brother Mitevski</u> in coproduction with <u>Vertigo</u> from Slovenia and Entre Chien et Loup from Belgium, and distributed by <u>Sisters and Brother Mitevski</u>, and *The Secret Ingredient / Iscelitel* by Gjorche Stavrevski, produced by <u>Fragment Film</u> in coproduction with GRAAL S.A from Greece, and distributed by <u>Fragment Film</u>.

The following domestic films had their premieres at domestic festivals: the Russian/Lithuanian/Macedonian coproduction *Harms / Kharms*, directed by Ivan Bolotnikov and produced by Russia's Proline Film, Lithuania's <u>Tremora Uab</u> and Macedonia's Manufaktura Production; the Bosnian/Macedonian/Croatian/Serbian coproduction *Frog*, directed by Elmir Jukić (a coproduction between <u>Refresh Production</u> from Bosnia and Herzegovina, <u>Skopje Film</u> <u>Studio</u> from Macedonia, <u>Living Pictures</u> from Serbia and <u>Propeler Film</u> from Croatia) and the Bulgarian/Macedonian coproduction *Heights*, directed by Victor Bojinov and produced by Bulgaria's Bulfilm, Serpentine, <u>Nu Boyana</u>, the <u>Bulgarian National Television</u> and Macedonia's <u>Dream Factory</u>.

Macedonia had two films selected for the 2017 Berlin IFF: the Macedonian/Belgian/Slovenian coproduction *When the Day Had No Name / Koga denot nemase ime* directed by Teona Strugar Mitevska and the Bulgarian/German/Macedonian coproduction <u>Requiem for Mrs. J / Rekvijem</u> <u>za gospodju J.</u>, directed by Bojan Vuletić and coproduced by Macedonia's <u>Skopje Film Studio</u>.

Another minority coproduction, *Directions / Posoki*, directed by Stephan Komandarev and coproduced by <u>Aktis Film Production</u> and Macedonia's <u>Sector Film</u>, premiered in Un Certain Regard at the 2017 Cannes Film Festival. The film had its Macedonian premiere at the <u>ICFF</u> <u>Manaki Brothers</u>.

Macedonian short films were also screened at numerous festivals. *Ambi*, written and directed by Marija Apchevska, entered the official competition of the Holly Short FF in the U.S., while *Would You Look at Her*, directed by Goran Stolevski, entered the official selection of short films at the 34th Sundance FF. The documentary *Avec l'Amour* directed by Ilija Cvetkovski won the third audience prize at the 23rd <u>Sarajevo Film Festival</u>, where *Honeyland* (directed by Ljubo Stefanov and Tamara Kotevska, and produced by Apollo Media and Trice Films) won the work in progress award.

## EXHIBITION AND BOX OFFICE

Eleven commercial cinemas and two art house cinemas with a regular repertoire operated in the Republic of Macedonia in 2017. Fourteen cultural centers also screen films occasionally.

In 2017, the first multiplex in the country, <u>Cineplexx</u>, celebrated its fifth anniversary with more than 340,000 visitors. This is an increase of 6.5% compared to 2016.

City Cinema <u>Milenium</u>, based in Skopje, also registered an increase in admissions of around 10% compared to 2016.

Digitalisation of cinemas continued in 2017 in four cultural centers. Since 2012, the Government of the Republic of Macedonia and the <u>Macedonian Film Agency</u> has been equipping cultural centers in all big cities with high quality digital projectors. Cinemas in those cultural centers function as art house cinemas, with programming based on occasional screenings.

Total admissions increased by 7.7 percent from 352,667 admissions in 2016 to approximately 380,000 admissions in 2017.

Most of the admissions (around 340,000) are from <u>Cineplexx</u>, followed by Cinema Milenium and 3D Cinema Bitola (around 13-15.000 each). The rest comes from the cultural centers that screen films occasionally.

## **GRANTS AND NEW LEGISLATION**

There is one call in January every year (with two deadlines in March and August) for production support for feature films, documentaries, short films and animated films.

The <u>Macedonian Film Agency</u> announced grants for 22 films in February 2017. The <u>Agency</u> distributed 1,952,171 EUR / 120,250,000 MKD in production grants for feature, short, animated films and documentaries. The four majority feature films include *The Hardest Thing* directed by Serdar Akar and produced by <u>Sektor Film</u>, and three debut feature films – *Stela*, directed by Stojan Vujicic and produced by <u>Dream Factory</u>, *Snezhana Dies In the End*, directed by Kristijan Risteski and produced by <u>Vertigo Visual</u>, and *Lena and Vladimir*, directed by Igor Aleksov and produced by Mind Peoduction. The minority feature films are directed by Ivo Trajkov, Marycia Nikitiuk, Dragan Bjelogrlic, Nuri Bilge Ceylan and Veljko Bulajic.

In November 2017 the <u>Macedonian Film Agency</u> decided to annul the call for production support for feature films, documentaries, short films and animated films, which was published on 10 February 2017. The call was canceled due to several irregularities. According to the decision, the call was legally due to be announced in January, and this was done in February 2017. Given that the Agency's obligation is to decide twice a year on the call (April and October), no grants were announced in 2017.

A new call for production support for feature films, documentaries, short films and animated films was announced on 22 November 2017.

There is a separate call for supporting film 'industry projects of national interest', which includes domestic festivals and international film events, professional education for film professionals, educational programmes which promote film culture, the membership of the Republic of Macedonia in international film organisations and associations, and also film publications.

A decision to distribute 507,000 EUR / 31 m MKD in 2017 as subsidies for production of domestic documentary and feature programmes on national TV stations and the public broadcaster <u>Macedonian Radio Television</u> was adopted by the Government in February 2017.

A total of 22 domestic film festivals were supported by the <u>Macedonian Film Agency</u> in 2017. Established festivals such as the <u>Manaki Brothers International Cinematographers Film</u> <u>Festival</u>, <u>Cinedays Festival of European Film</u>, <u>Makedox Festival for Creative</u> <u>Documentaries</u>, <u>Giffoni Youth Film Festival</u>, <u>Asterfest Short Films Festival</u>, <u>Animax Animated</u> <u>Films Festival</u> and <u>Skopje Film Festival</u>, as well as 15 other festivals, had successful editions in 2017.

The <u>MEDIA Programme</u>'s support for Macedonian filmmakers, festivals and distributors was 198,750 EUR in 2017.

In 2017 the Macedonian/Belgian/Croatian coproduction *God Exists, Her Name is Petrunija*, directed by Teona Strugar Mitevska, received support from <u>Eurimages</u>. The

Albanian/Macedonian coproduction *Open Door,* directed by Florenc Papas and coproduced by <u>Award Film & Video</u>, was also supported by Eurimages.

The feature film *Sister*, directed by Dina Duma and produced by List Production, received support from the <u>SEE Cinema Network</u>.

Starting from 2014, the Macedonian Film Agency has been encouraging the investment of funds in film or television projects applying for an investment return in the amount of 20% of the gross costs incurred in the country for the realisation of a film or television project, which is not less than 100,000 EUR. The Film Incentive programme was introduced as part of the new Film Law in 2014.

Macedonia started using the cash rebate scheme for film and TV projects in 2015.

Two films applied for tax incentives in Macedonia in 2017: The Bollywood film *Vijay 61*, directed by Atlee Kumar and serviced by Mind Productions, and the Turkish children film *Honey Cream / Bal Kaymak*, directed by Onur Tan and serviced by <u>Sektor Film</u>.

According to the film law, several sources add to the budget, such as levies from the TV (0.9% of the annual turnover), cable operators, internet providers and telecoms (1%), distributors (3%) and exhibitors (5%).

In November 2017 the <u>Macedonian Film Professionals Association</u> and the Macedonian Film Agency organised a panel on the situation in the Macedonian film and the necessity for a change in the Film Law, that would be prepared in 2018.

## TV

TV production boosted in Macedonia in 2017 with a total of ten series produced. In accordance to the legal obligation for the national televisions to produce, shoot and broadcast a programme with elements of public interest every year, as stated in the Law on Audio and Audiovisual Media Services adopted in 2014, ten TV series premiered on Macedonian television channels in 2017.

The children TV series *True Stories*, written and directed by Kuzman Kuzmanovski, premiered on the <u>Macedonian Radio Television</u>. The series is a coproduction between <u>Auripigment</u> and the <u>Macedonian Radio Television</u>.

The second season of the Macedonian TV Series *Prespav*, directed by Igor Ivanov and produced by <u>OXO</u>, was aired on <u>TV Telma</u> in autumn 2017.

The first season of the Macedonian series <u>In Treatment / Na terapija</u>, directed by Vardan Tozija and produced by Macedonia's <u>Kino Oko</u>, premiered on <u>Sitel TV</u>.

TV series *Shadows over Balkans / Senke nad Balkanom*, a three-season political thriller drama set in the Kingdom of Yugoslavia in the 1930s, premiered on <u>Macedonian National Television</u> in November 2017. It was directed and also produced by the Serbian actor and director Dragan Bjelogrić through <u>Cobra Film</u> alongside <u>Skopje Film Studio</u>.

In September 2017, the TV series *Markovski Family / Familija Markovski*, directed by Darijan Pejovski, premiered on <u>TV Kanal 5</u>. *Markovski Family* is an original 8-episode prime time series produced by Art Project Lab Production.

The original 26-episode socially engaged TV series *Insider*, directed by Igor Ivanov, premiered on <u>TV Telma</u> in 2017. The series is produced by <u>TV Telma</u> in collaboration with Sloboda Film.

In October 2017 another TV series premiered on <u>TV Telma</u> as well. <u>TV Box</u>, directed by Zlatko Slavenski, is the first project by the Independent Association for Affirmation Lumenetika Project, in coproduction with <u>3D Project Studio</u>.

Other new TV series in 2017 are: the fourth season of children TV series 5+ *Family*, directed by Igor Ivanov and produced by <u>OXO</u>, which premiered on the <u>Macedonian National Television</u>, the second season of *Neighborhood Gossip*, directed by Dragan Veljanoski and produced by <u>TV</u> <u>Alfa</u>, and new episodes of the comedy series *A Bag Full of Happiness*, directed by Troika Studio and produced by <u>TV Sitel</u>.

In 2016 the Macedonian TV revenues reached their lowest point in the last five years, according to a report issued by the <u>Macedonian Agency for Audio and Audiovisual Media Services</u> in 2017. Commercial and public broadcasters generated total revenues of approximately 25 m EUR / 1,540,190,000 MKD, representing a drop of 50 percent compared to 2015.

The financial result of all TV broadcasters marks a loss of 2.2 m EUR / 137,970,000 MKD.

Also in 2016 the advertising revenues in the TV broadcast sector represented 85.75% of the total revenues.

A total of 28 of the country's 63 TV broadcasters generated positive financial results, mainly from advertising. <u>TV Sitel</u> had the highest overall revenues with 7.69 m EUR (which is a drop of 12.63% compared to 2015), followed by <u>Kanal 5</u> (with 3.36 m EUR representing a drop of 29.1%) and <u>Alsat-M TV</u> (2.77 m EUR representing an increase of 2.86%).

In 2016 the public broadcaster <u>Macedonian Radio Television</u> generated the lowest figures in revenues in the last five years with 67.50% coming from the broadcasting fee. This is a drop of 7.35% compared to 2015.

As in 2015, TV Sitel was the most watched domestic TV station in 2016, while Discovery was the most watched foreign TV station.

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Report: Marina Lazarevska (2018) Sources: the Macedonian Film Agency, the Macedonian Agency for Audio and Audiovisual Media Services, Cineplexx, Milenium