

The background features a dark blue-grey area on the left and a vibrant green area on the right. The green area is composed of several overlapping, semi-transparent geometric shapes, including triangles and polygons, creating a dynamic, layered effect. The text is centered in the dark blue-grey area.

# Film Development Council of the Philippines

# Overview of FDCP Topics

- ▶ Film Location Promotion
- ▶ Establishment of Local Cinematheques
- ▶ Expansion and Extension of the Metro Manila Film Festival

# What is Film Location Promotion?

- ▶ A national or regional program for both local and international productions to make the Philippines as a viable location for film and TV productions
- ▶ Foreign and local productions alike are travelling nowadays in different parts of the world to film in real film locations

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# What are the benefits of Film Location Promotion?

- ▶ Creates a viable film industry that drives economy and profit to the localities
- ▶ Provides additional local employment through the empowerment of local film workers
- ▶ Maximizes the services of all industries related to film productions such as hotels, food, manufacturing and arts and culture

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# How do other countries do it?

- ▶ Estonia - 30% cash rebate
- ▶ Croatia - 20% cash rebate
- ▶ Poland - 50% production cost
- ▶ Ireland - 32% tax credit
- ▶ United Kingdom - 25% cash rebate
- ▶ Belgium - 45% belgian expenses
- ▶ Austria - 20% production cost
- ▶ Germany - 20% production cost

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- ▶ Iceland - 25% cash rebate
- ▶ Norway - 25% cash rebate
- ▶ Malaysia - 30% cash rebate
- ▶ Fiji - 47% tax rebate
- ▶ Australia - 40% production / 30% post
- ▶ New Zealand - 20% production grant
- ▶ Puerto Rico - 40% tax credit
- ▶ Dominican Republic - 25% transferable tax credit

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# A closer look

## CANADA

- ▶ Varies depending on province
- ▶ Eligible labor vs. Local qualifying spend
- ▶ Combined federal and local incentives
- ▶ As high as SEVENTY (70%) PERCENT



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# Malaysia

- ▶ THIRTY (30%) PERCENT cash rebate on all Qualifying Malaysian Production Expenditure (5 M and 1.5M)
- ▶ Applicable to both local and international production
- ▶ Production activity and Post production activity
- ▶ Appointment / Commissioning of a Malaysian Film Production Company



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# Thailand

- ▶ Launched in 2016 - Implementation - 2017
- ▶ 15 % local spending of 1.5M USD
- ▶ 3% Local Hire - Key personnel
- ▶ 2 % promotion of Thai tourism
- ▶ One-Stop-Shop Service
- ▶ Appointment of local coordinator



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# What is the current state of film tourism in the Philippines and in the regions?

- ▶ Currently, there is a lack of mainstreamed process for foreign productions AND local productions
- ▶ No incentives

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# Bourne Legacy - 2012

## Manila - Makati - Pasay - Palawan

### 40 % filmed in the Philippines

- ▶ Total Budget: **120 Million US Dollars**
  - ▶ Money spent in the Philippines: **20 Million US Dollars**  
**or 1 Billion Pesos**
- ▶ Breakdown
  - ▶ 40% Production Crew
  - ▶ 20% Accommodation
  - ▶ 40% All other expenses (Transport, Food, Equipment, Location, Art Department)



# The Master (Korea) - 2016

## Manila

### 80% filmed in the Philippines

- ▶ Total Budget: **xxx Million US Dollars**
  - ▶ Money spent in the Philippines: **2.5 Million US Dollars**  
**or 125 Million Pesos**
- ▶ Breakdown
  - ▶ 40% Production Crew
  - ▶ 20% Accommodation
  - ▶ 40% All other expenses (Transport, Food, Equipment, Location, Art Department)



CJ



ENTERTAINMENT

# Realization



1. Local Employment
2. Creation of Professional Film Workers



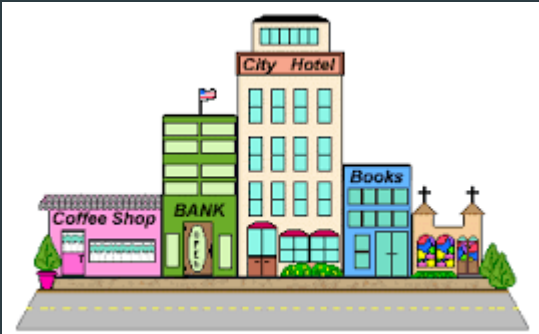
1. TOURISM PROMOTION and ADVERTISING
2. Increased Tourism



1. Local and International Source
2. Where is the Profit?



# Profit? 10 Million USD Local Expense



Incentive Provided to Production



10 USD Spent in Local Services and Purchase

1. Salaries and Wages
2. Film Equipment and Supplies
3. Filming Services
4. Post production services
5. Music
6. Catering
7. Costumes and make up
8. Lodging / Accommodation
9. Location Rental
10. Insurance

Active Economy and Return of Investment through payment of local tax and other local services such as business permits and licenses

# How can Philippine cities implement their own film location promotion?

By adapting a local Ordinance that allows for the establishment of

- ▶ Local film commission which will act as the local secretariat and will formulate proposals for
  - ▶ Production Grants
  - ▶ Film Funds / Investment
  - ▶ Cash Rebates
  - ▶ Tax Rebates
  - ▶ Tax Credits
  - ▶ Tax Shelters / Holidays



# How can Philippine cities implement their own film location promotion?

- ▶ Discount and packages for Equipment Rental and other services
- ▶ Assistance in acquisition of talents, film crew and other manpower required
- ▶ Accommodation packages
  - ▶ Transportation
  - ▶ Hotels
  - ▶ Food

# Parameters

- ▶ Percentage of production
- ▶ Minimum budget
- ▶ Qualified Expenses
- ▶ Minimum spend
- ▶ Local hire
- ▶ Tiered tranche
- ▶ Maximum benefits / CAP

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# What can FDCP do to help the cities?

- ▶ By providing a template for the creation of local film commissions
- ▶ By activating national agencies that will help facilitate the mainstreaming of all the permits and paperwork needed for productions, essentially creating a one-stop shop for production companies
- ▶ Developing a comprehensive database of all film and TV production related data and information (from 'grips to 'directors') and making it accessible in multiple platforms

# Possible inter-agency partnerships

1. Bureau of Immigration - Alien Working Permits
2. Bureau of Customs - Customs clearance for equipment, etc.
3. Department of National Defense - Firearms, ammunition and explosives permits and clearances
4. Department of Trade and Industry - Tax shelters / Incentives
5. Department of Tourism - Promotions, location permits and clearances

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# Sample Location











THE POOR TRAVELER





# Boost Film Location

Bali, Indonesia



Cebu, Philippines



## Norway



## Palawan





## New Zealand



## Compostela Valley





Altea, Spain



Vigan, Ilocos



Vietnam

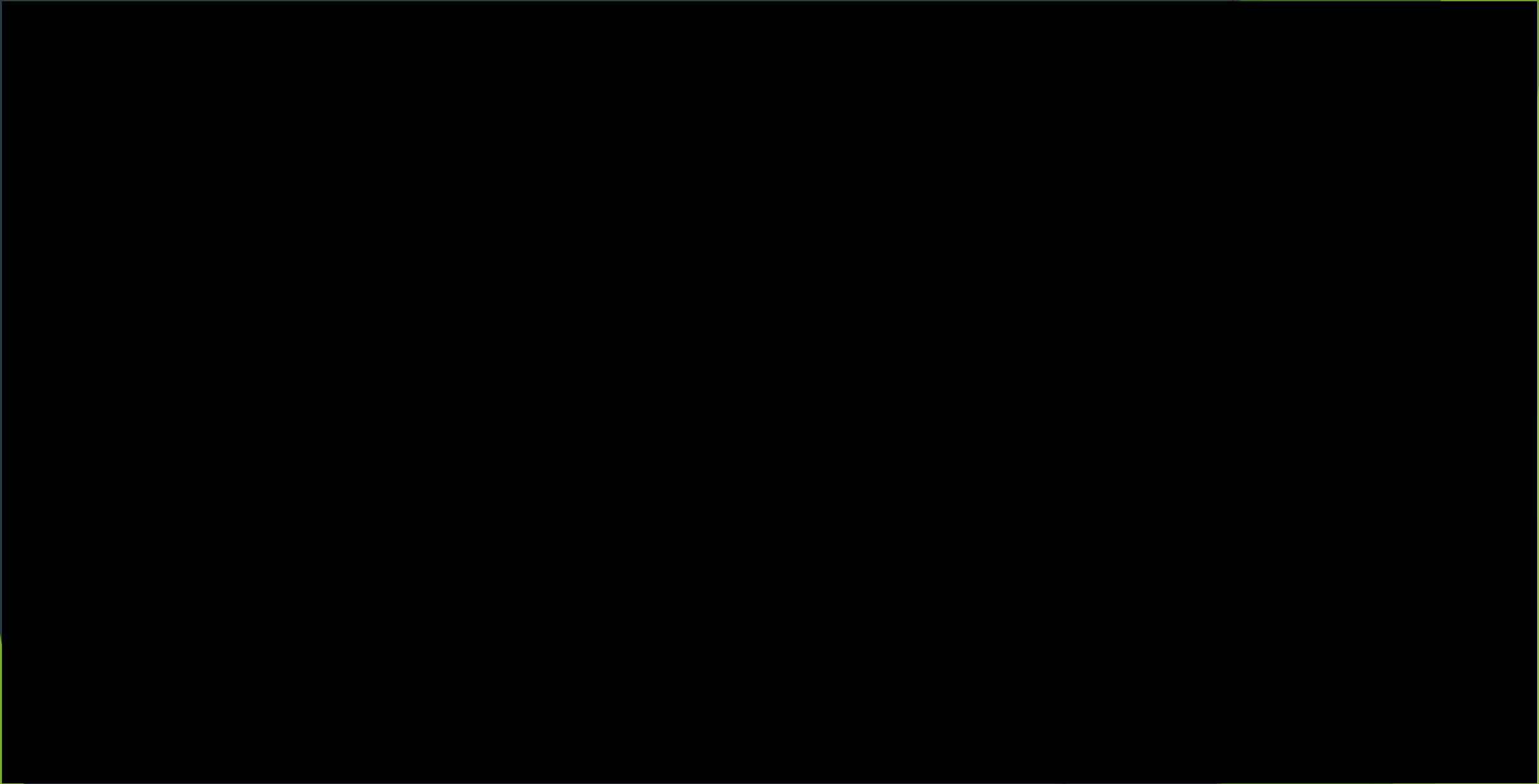


Banaue



# What is a Cinematheque?

- ▶ A small theater of 50-150 seats
- ▶ An alternative venue for exhibition of local and international films
- ▶ Serves as a hub for the promotion of FDCP film development and education programs
- ▶ Provides an opportunity for localities outside of Metro Manila to fulfill its arts programs mandate and create a culture of film literacy and appreciation



# Extension and Expansion of the Metro Manila Film Festival

- ▶ A proposed executive order is currently with the Office of the President
- ▶ Will allow for the extension of the Festival period from December 25 - January 7 of every year
- ▶ Will allow for the screening of the official entries of the MMFF to be outside of Metro Manila



# Our request for support to the MMFF

- ▶ For the cities to waive the amusement taxes incurred during the Festival period in favor of the Metro Manila Film Festival beneficiaries
- ▶ FDCP is one of the beneficiaries and would use funds raised to further activate the Philippine regions for film development programs

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