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Contact:

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Mongolia's Parliament approves incentives to attract global film production

The incentives will competitively position Mongolia to appeal to the world's top production Companies, while strengthening international appreciation for Mongolia's unique culture and heritage

Ulaanbaatar – Mongolia will soon be distinguished as an attractive destination for global film and television production due to recent actions taken by the Mongolian Parliament to approve a range of competitive incentives for both domestic and global studios that use Mongolia for their film and television production projects. This is a tremendous opportunity to build Mongolia's creative industry, deepen global appreciation of Mongolia's unique culture and heritage, and create many new jobs, opportunities, and foreign direct investment.

Nomin Chinbat, Minister of Culture, spearheaded the effort to both draft the legislation and build the support in Parliament to approve the legislation. Commenting on the new policy, Minister Nomin said, "I'm so pleased Parliament took action and approved this new law. We must now work to ensure this initiative is launched in a way that demonstrates we are serious about developing a world class production sector in Mongolia." The Minister concluded, "I look forward to welcoming the leading film and television studios to Mongolia, and working with them to build our creative industry."

Studies have shown that every dollar paid in production incentives produces up to three dollars in economic benefit in return. The production incentives, along with other legislative measures being taken to encourage production growth in Mongolia, will be managed by the Mongolian Film Council, a new entity to be overseen by the Ministry of Culture. The Mongolian Film Council and its various incentive programs will be launched and operational in January 2022.

Summary of Production Incentives

- → 30% Location Incentive (cash rebate) for qualifying and accredited film and television production projects that take place in Mongolian territory
- → 10% Cultural Incentive (cash rebate) for productions that highlight Mongolia's unique culture and heritage
- → 5% Foreign Crew and Talent Incentive (cash rebate) for qualified foreign cast and crew
- → 30% Post-production Incentive (cash rebate) for approved projects that use a substantial number of Mongolian personnel during post-production

- → 20% Mongolia Film Incentive for Mongolian or joint-film productions that promote Mongolian culture and heritage to international audiences
- → The Location Incentive, Cultural Incentive, and Foreign Talent and Crew Incentive can be taken separately or together for a 30%+10%+5% = 45% cumulative incentive.
- → Only projects that have a minimum of USD 500,000 in qualified expenses will be considered for the incentives program

To read an unofficial English translation of the legislation, click <u>here</u>. To read the Mongolian version of the legislation, click <u>here</u>.

For more information, please contact Mr. Shirnen Boldoodorj, Spokesperson for the Minster of Culture, at Shirnen@moc.gov.mn.