

Germany's 2025 Coalition Agreement: Reforms for the Media, Film, and Creative Industries

Article By:

Dr. Laura M. Zentner

Dr. Viola Bensinger

Dr. Christoph Enaux

The newly published German Coalition Agreement 2025 (CA 2025), [German language version available here](#), outlines the agenda of the new German government for the next four years. For the government's cultural and media policy, the CA 2025 outlines measures that seek to strengthen Germany as a filming location and further develop the film industry. Proposals on new regulation and funding instruments relevant to the media, film, and other creative industries are particularly noteworthy.

Film Funding Reform and Production Subsidies: Tax Incentive Model and Investment Obligation

- **Film Funding System Reform:** The federal government announced a fundamental reform of the film funding system (Z. 3889) to sustainably strengthen Germany's international competitiveness as a filming location.
- **Tax Incentive Model:** The government plans to introduce a tax incentive model (Z. 3890) that would make film production investments more attractive. The previous federal government had already discussed a similar model, under which a certain percentage – the considerations ranged between 10% and 30% – of eligible production costs for films or series would be tax-deductible. Many European countries already implement this kind of incentive. The specific details (including the final percentage) of the proposed model must still be negotiated between the new coalition parties.
- **Investment Obligation:** An investment obligation would supplement the tax incentive model (Z. 3890), another measure that the previous federal government had considered. VOD platforms would be required to reinvest a certain percentage – 20% was the number previously discussed – of their German revenues into European productions. However, the specifics of this requirement remain unclear and would need to be worked out by the new coalition.

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- **German Film Subsidy Act:** The German Film Subsidy Act (*Filmförderungsgesetz*) is to be further developed in close consultation with the industry (Z. 3891); however, the CA 2025 does not specify any key areas or specific amendments.
 - **Investment Incentives:** The German government wants to support cinema operators through reliable investment incentives (Z. 3892) and targeted support for cultural diversity.
 - **Platform Levy:** The German government will look into imposing the long-discussed levy for online media platforms; the revenues are intended to “strengthen Germany as a media location” (Z. 3913). Details concerning the levy, such as its intended scope and targets, remain unclear.
 - **Film Heritage:** The German government would also advance the digital preservation of film heritage (Z. 3893).

Focus on the Music Industry, Clubs, and Publishing

- **Pop Culture Promotion:** The federal government is committed to the targeted promotion of the music industry and pop culture – in particular through a “Music Initiative” (Z. 3895) and other federally funded programs.
- **Protection of Clubs:** So-called “cultural protection areas” (*Kulturschutzgebiete*) would be established (Z. 3896) in which clubs are considered protected cultural venues.
- **Musical Instrument Manufacturing:** A more sector-specific regulatory framework is also being considered for musical instrument manufacturers (Z. 3898).
- **Publishing:** The federal government and the states will look into establishing structural subsidies to ensure diversity in the German book market (Z. 3899).

Fair Remuneration Models and Social Security for Creatives

- **Fair Remuneration:** A central concern of the federal government is to strengthen fair and transparent remuneration models, particularly in the digital music market (Z. 3903). The aim is to ensure that creative services are adequately remunerated, and intellectual property rights can be consistently enforced (Z. 3902).
- **Social Security for Artists:** At the same time, the social security systems for artists and creatives would be strengthened and better aligned with the often project-based, hybrid forms of employment in the arts and creative industries (Z. 3905).

Preserving Media Diversity

- **Maintaining the Dual Broadcast System:** The government wants to strengthen both the public broadcast system (Z. 3911) and the regulation and refinancing of private media companies (Z. 3912).
- **Strengthening Competition:** Antitrust law would be further developed at all levels and integrated with the state media concentration laws in order to control mergers between media companies and media-related infrastructure providers (Z. 3920).

European Dimension, Games, and Youth Protection

- **Development of a European Media Platform:** The government supports developing a European media platform involving ARTE, the Franco-German public service broadcaster (Z. 3941). This aligns with existing plans to further develop ARTE into a pan-European platform by expanding its multilingual offerings and strengthening partnerships with other European media organizations.
- **Protection of Minors:** The German government emphasizes the importance of media literacy in today's digital era and plans to increase the protection of minors in the media (Z. 3944). The aim is to create a coherent legal framework across Europe, federal, and state levels to reduce parallel structures and simplify law enforcement (Z. 3946). Specifically, the Youth Protection Act would align with the Digital Services Act (DSA) and the State Treaty on the Protection of Minors in the Media (Z. 3947). A particular focus is on technical protection measures, as the German government wants age verification systems on digital devices to become the standard across Europe – with potential implications for device manufacturers, platform operators, and app providers (Z. 3948).
- **Games:** Games are a cultural asset and an innovation driver, which is why the government plans to support the gaming industry through tax incentives and reliable programs.

Conclusion

The CA 2025 highlights the vital role of the media and creative industries, along with media diversity, in strengthening Germany's position as a hub for innovation and culture. To address current and emerging challenges, the new federal government is considering a range of regulatory measures aimed at supporting and safeguarding this sector. In particular, tax incentives, investment obligations, a proposed new platform levy, and modified concentration laws for media companies represent central levers that industry players should observe from an early stage and take advantage of opportunities for consultation and engagement.

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National Law Review, Volume XV, Number 118

Source URL: <https://natlawreview.com/article/germanys-2025-coalition-agreement-reforms-media-film-and-creative-industries>