

European Commission

2013 annual work programme on grants and procurement for the MEDIA 2007 programme

C(2012)6064 of 5 September 2012



SUMMARY

Adoption of the 2013 annual work programme on grants and procurement for the MEDIA 2007 programme

This Commission Implementing Decision adopting the annual work programme for the year 2013 in the context of the MEDIA 2007 Programme concerns grants and contracts awarded following calls for proposals and calls for tender to be published in the second half of 2012 and in 2013, but with an impact on the 2013 financial year only. This Implementing Decision serves as a Financing Decision within the meaning of Article 75 of the Financial Regulation.

Its purpose, subject to the adoption of the Budget for 2013 without substantive amendments, is to launch the selection procedures during 2012 with a view to enabling the Authorising Officer to take the individual Decisions on the award of grants and contracts at the beginning of 2013, provided that they comply with the work programme within the set flexibility thresholds. In case a Comitology advisory procedure applies, the Commission will take the award decisions.

As soon as the budget is adopted by the Budgetary Authority, the appropriations available under budget line 15.04.66.01 will be used to:

- Award grants to proposals submitted under all action lines of the MEDIA 2007 Programme, including multiannual partnership agreements;
- Grant financial contributions to the functioning of the 44 MEDIA Desks/Antennae;
- Cover the annual EU contribution to the budget of the European Audiovisual Observatory (EAO);
- Conclude service contracts, as necessary.

The method of execution of each activity is indicated in order to help identify budget appropriations implemented on a centralised basis directly by the Commission or indirectly by the Education, Audiovisual and Culture Executive Agency (EACEA), and those implemented by third bodies, within the meaning of Article 54.2(c) of the Financial Regulation (MEDIA Desks/Antennae and MEDIA Production Guarantee Fund).

<u>RÉSUMÉ</u>

Adoption du programme de travail annuel 2013 en matière de subventions et de marchés pour le programme MEDIA 2007

La décision d'exécution de la Commission portant adoption du programme de travail annuel 2013 relatif au programme MEDIA 2007 concerne des subventions et marchés qui seront octroyés à la suite d'appels à propositions et d'appels d'offres publiés au second semestre de 2012 et en 2013, mais dont l'incidence financière se limitera à l'exercice 2013. Cette décision d'exécution vaut décision de financement au sens de l'article 75 du règlement financier.

Elle vise à permettre, sous réserve de l'adoption du budget 2013 sans modifications substantielles, le lancement des procédures de sélection en 2012 afin que l'ordonnateur puisse adopter début 2013 les décisions d'octroi des subventions et des marchés aux différents bénéficiaires, pour autant qu'elles soient conformes au programme de travail dans les limites de flexibilité prévues. Si la procédure consultative relevant de la comitologie s'applique, les décisions d'octroi seront adoptées par la Commission.

Dès l'adoption du budget par l'autorité budgétaire, les crédits disponibles sous la ligne budgétaire 15.04.66.01 seront utilisés pour:

- l'octroi de subventions à des propositions relevant de tous les domaines d'intervention du programme MEDIA 2007, y compris des accords de partenariat pluriannuels;
- l'octroi de contributions financières destinées au fonctionnement des 44 bureaux d'information (Media desks) et antennes du programme MEDIA;
- le financement de la contribution annuelle de l'Union au budget de l'Observatoire européen de l'audiovisuel (OEA);
- la conclusion de contrats de services, le cas échéant.

Le mode d'exécution de chaque activité est indiqué de façon à faciliter la distinction entre les crédits budgétaires exécutés de manière centralisée directe, par la Commission, ou indirecte, par l'Agence exécutive «Éducation, audiovisuel et culture» (EACEA), d'une part, et les crédits exécutés par les organismes tiers visés à l'article 54, paragraphe 2, point c), du règlement financier (bureaux d'information et antennes du programme MEDIA et Fonds MEDIA de garantie pour la production), d'autre part.

ZUSAMMENFASSUNG

Annahme des Jahresarbeitsprogramms 2013 für Finanzhilfen und öffentliche Aufträge für das Programm MEDIA 2007

Der vorliegende Durchführungsbeschluss der Kommission zur Annahme des Jahresarbeitsprogramms 2013 für das Programm "MEDIA 2007" betrifft Finanzhilfen und öffentliche Aufträge, die im Rahmen von Aufforderungen zur Einreichung von Vorschlägen sowie Ausschreibungen vergeben werden, die im zweiten Halbjahr 2012 und im Jahr 2013 veröffentlicht werden, sich jedoch nur auf das Haushaltsjahr 2013 auswirken. Der vorliegende Durchführungsbeschluss gilt als Finanzierungsbeschluss im Sinne von Artikel 75 der Haushaltsordnung.

Zweck dieses Beschlusses ist es, im Laufe des Jahres 2012 die Auswahlverfahren in die Wege zu leiten – vorausgesetzt, der Haushalt 2013 wird ohne substanzielle Änderungen angenommen –, damit der Anweisungsbefugte die Möglichkeit erhält, zu Beginn des Jahres 2013 über die Vergabe von Finanzhilfen und öffentlichen Aufträgen individuell zu entscheiden, sofern diese mit dem Arbeitsprogramm innerhalb der festgelegten Flexibilitätsspanne übereinstimmen. Ist ein Komitologie-Beratungsverfahren notwendig, so wird die Kommission über die Gewährung von Finanzhilfen bzw. die Vergabe von Aufträgen entscheiden.

Sobald die Haushaltsbehörde den Haushalt angenommen hat, werden die im Rahmen der Haushaltslinie 15 04 66 01 vorgesehenen Mittel für folgende Zwecke verwendet:

- Gewährung von Finanzhilfen für Vorschläge, die im Rahmen aller Aktionslinien des Programms MEDIA 2007 eingereicht werden, einschließlich mehrjähriger Partnerschaftsabkommen;
- Gewährung von Finanzhilfen für den Betrieb der 44 MEDIA-Desks/-Antennen;
- Finanzierung des jährlichen Beitrags der EU zum Haushalt der Europäischen Audiovisuellen Informationsstelle;
- Abschluss von Dienstleistungsverträgen, soweit erforderlich.

In dem Beschluss ist genau angegeben, wie die einzelnen Aktivitäten durchgeführt werden sollen, damit leichter festgestellt werden kann, welche Mittel direkt von der Kommission zentral und welche indirekt von der Exekutivagentur Bildung, Audiovisuelles und Kultur verwaltet werden und welche Mittel von dritten Einrichtungen im Sinne des Artikels 54 Absatz 2 Buchstabe c der Haushaltsordnung abgewickelt werden (MEDIA-Desks/-Antennen und MEDIA-Produktion-Garantiefonds).

ANNEX

| 2013 Annual work programme on grants and procurement for the MEDIA 2007 programme | | | |
|---|--|--|--|
| Budget line: | 15.04.66.01 | | |
| Title: | MEDIA 2007 – Support programme for the European audiovisual sector | | |
| Basic Act: | Decision No 1718/2006/EC of the European Parliament and of the Council of 15 November 2006 concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007), OJ L 327 of 24 November 2006. | | |

A. **OBJECTIVES AND PRIORITIES OF THE PROGRAMME IN 2013**

• Main features / general objectives of the programme

Under the terms of Article 1 of the legal base, the general objectives of the Programme are to:

- Preserve and enhance European cultural and linguistic diversity and its cinematographic and audiovisual heritage, guarantee its accessibility to the public and promote intercultural dialogue;
- Increase the circulation and viewership of European audiovisual works inside and outside the European Union, including through greater cooperation between players;
- Strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive European market favourable to employment, including by promoting links between audiovisual professionals.
- In order to achieve these objectives, *the programme shall support*:
- Upstream of audiovisual production: the acquisition and improvement of skills in the audiovisual field and the development of European audiovisual works;
- Downstream of audiovisual production: the distribution and promotion of European audiovisual works:
- Pilot projects to ensure that the programme adjusts to market developments.

The *priorities in the areas for intervention* set out in the previous paragraph shall be as follows:

- Fostering creativity in the audiovisual sector and knowledge and dissemination of Europe's cinematographic and audiovisual heritage;
- Strengthening the structure of the European audiovisual sector, particularly SMEs;
- Reducing the imbalances in the European audiovisual market between high audiovisual production capacity countries and countries or regions with low audiovisual production capacity and/or a restricted geographic and linguistic area;
- Following and supporting market developments with regard to digitisation, including the promotion of attractive digital catalogues of European films on digital platforms.

• Eligible countries

The Calls for Proposals are open to applications from Member States of the European Union; countries of the European Economic Area participating in the MEDIA 2007 Programme (Iceland, Liechtenstein and Norway) and countries fulfilling the terms set out in Article 8 of Decision No 1718/2006/EC (Switzerland, Croatia¹ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Unless otherwise specified in the text below, for the purposes of the implementation of the MEDIA 2007 "Calls for Proposals" the following countries are considered as countries with a low audiovisual capacity: Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Greece, Hungary, Ireland, Iceland, Liechtenstein, Latvia, Lithuania, Luxembourg, Malta, Norway, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden and Switzerland.

• Budget

The actions funded by budget line 15.04.66.01 (MEDIA 2007), as shown in the programming table, will represent a total amount of \notin 118,797,000. It corresponds to the amounts requested in the Draft Budget for 2013 (EU-27), to the EFTA/EEA contribution, to an estimated amount of internal assigned revenue (C5 and C4) as well as to the financial contribution expected from Switzerland (Swiss Confederation), Croatia and Bosnia and Herzegovina (under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

The details of the budget allocation among the various actions are in the programming table. The amounts follow the percentages established by the MEDIA 2007 legal base.

At this stage, it is not foreseen to sub-delegate any of the actions and sub-actions (Work Programme 2013) of the MEDIA 2007 programme to other Directorates-General.

B. CALLS FOR PROPOSALS

The eligibility, selection and award criteria are listed below. The same criteria will also appear in the relevant Guidelines for the schemes concerned.

The numbering system of the strands/actions in the 2013 Programming table is maintained throughout the text for ease of reference.

1. TRAINING

1.1. Initial Training

| Dates of publication | Budget 2013 |
|--|---|
| Call for Proposals EACEA 2/2011 - (OJ C39 of 8.02.2011) | See index 1.10 of the programming table |

Specific grants will be awarded in 2013 to support the third year of activities (of a maximum of three) of the 14 following partners, selected under the Call for Proposals EACEA 2/2011 (OJ C39 of 8.02.2011).

¹ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

| Institution | Project title | Maximum MEDIA contribution |
|---|--|-------------------------------|
| London International Film School | LOW BUDGET FILM FORUM V | 86.400,00€ |
| London International Film School | MAKING WAVES: Emerging Strategies in Film Distribution & Marketing | 86.400,00€ |
| Association Européenne du Film d'Animation | 1.1.1. TRAINING FOR TRAINERS / Formation des formateurs | 86.400,00€ |
| 1.1.2. Fundacio Privada Escola Superior de Cinema i Audiovisuals de Catalunya | FOUR CORNERS | 273.600,00€ |
| Edinburgh Napier University | ENGAGE V | 216.000,00€ |
| University of Wales, Newport | Transform@Lab | 100.800,00 € |
| 1.1.3. Deutsche Film-und Fernsehakademie Berlin GmbH | A CLEAR VIEW | 129.600,00€ |
| La Fémis - Ecole Nationale Supérieure des Métiers de l'Image et du Son | European Film School Network | 44.064,00€ |
| Lithuanian Academy of Music and Theatre | Summer MEDIA Studio | 180.000,00 € |
| 1.1.4. Akademie Muzickych Umeni V Praze | 1.1.5. MIDPOINT: Central European Script Center | 216.000,00 € |
| 1.1.6. COOPERATIVA DE FORMACAO E ANIMACAO CULTURAL | ESSEMBLE - European Network of Film and Animation Schools for Digital Creation | 286.698,24€ |
| VIA University College | Animation Sans Frontières - The Animation Production Workshop | 267.840,00 € |
| Den Danske Filmskole | EUCROMA_2013: European Cross Media Academy | 172.800,00 € |
| Centro Studi Holden | ADAPTING FOR CINEMA (A4C): Adapting European Stories for the European Audience | 115.200,00€ |

1.2. Continuous Training

| Dates of publication | Budget 2013 |
|-----------------------------------|---|
| Call for Proposals EACEA 5/2012 - | See index 1.20 of the programming table |
| (OJ C35 of 9.02.2012) | |

MEDIA contribution (grant) will be awarded by way of specific agreement for the second year of activities of the partners who have signed a 2-year framework partnership agreement under the Call EACEA 05/2012. The list of selected partners will be included in a future revision of this Work programme.

2. **DEVELOPMENT**

The publication of two Calls for Proposals is foreseen, one covering the budget items 2.1. & 2.2. and a second covering the item 2.3. Interactive Works.

2.1. Support for Single Projects & 2.2 Support for Slate Funding/Slate Funding 2nd stage - (Animation, creative documentaries and drama)

| Dates of publication | Budget 2013 |
|----------------------|--|
| September 2012 | See indexes 2.10 and 2.20 of the programming table |

Objective of the Call for Proposals

The aim of the development support is to strengthen the competitiveness of European audiovisual works by consolidating investment in the development phase of such works, in this case, by supporting the development of animation, creative documentaries and drama.

For these three categories, three types of funding are in place: Single Projects, Slate Funding and Slate Funding 2nd Stage. These three types of funding are part of a common Call for Proposals.

This Call equally foresees the selection and awarding of the MEDIA Prize. The MEDIA Prize recognises the best project among the eligible Single Projects, intended for theatrical release, selected within the framework of the first deadline of the Call for Proposals for development support for animation, creative documentaries and drama. The winner is the project having obtained the highest score in the selection procedure for Single Projects.

Potential Beneficiaries

European production companies whose main objects and activities are the production of audiovisual works and which are registered in one of the Member States of the European Union or in one of the countries participating in the MEDIA 2007 Programme and which are owned and continue to be owned, whether directly or by majority shareholding, by nationals from these countries.

Single Project support is aimed at companies that have been registered for at least 12 months, on the date of submission of their application, with a more limited investment capacity interested in developing a single project.

Slate Funding support is aimed at companies that have been registered for at least 36 months on the date of submission of their application, having previous international experience and the operational and financial capacity to envisage the development of a slate of 3 to 5 projects over a period of two years.

Slate Funding 2nd stage is targeted to companies that have been beneficiaries of a Slate Funding or Slate Funding 2nd Stage agreement signed during the course of 2007-2011 and that have entered into production with at least one project supported under the aforementioned Slate Funding or Slate

Funding 2nd Stage no later than on the date of submission of their application. Beneficiaries of an agreement signed in 2012 cannot apply.

Eligibility Criteria

Proposals must comply with the following criteria:

| Slate Funding | Slate Funding Slate Funding 2nd stage | |
|---|--|--|
| Applicant companies must be independent European companies ² having as their main activity audiovisual production and which have been legally constituted for at least 36 months. | Applicant companies must be independent European companies ¹ having as their main activity audiovisual production and which have been legally constituted for at least 36 months. | Applicant companies must be independent European companies ¹ having as their main activity audiovisual production and which have been legally constituted for at least 12 months. |
| Applicant companies must demonstrate their existence as a legal entity. | Applicant companies must demonstrate their existence as a legal entity. | Applicant companies must demonstrate their existence as a legal entity. |
| Companies must provide evidence that they have experience in audiovisual production. Companies established in France, Germany, Italy, Spain and United Kingdom must prove that they have in the 5 years preceding their application completed two previous works. Companies established in the countries with low production capacity must prove that they have in the 5 years preceding their application completed at least one previous work. | Applicant companies must fulfil the following conditions: 1. To be a beneficiary of a Slate Funding or Slate Funding 2nd Stage agreement signed during the course of 2007-2011. Beneficiaries of an agreement signed in 2012 cannot apply. 2. To have entered into production with at least one project supported under the aforementioned Slate Funding or Slate Funding or Slate Funding 2nd Stage no later than on the date of submission of their application. | Applicant companies must provide evidence that they have completed a previous work. |
| The applicant company must prove that the previous work(s) has (have) been distributed internationally in the 5 years preceding the application. | | The applicant company must show that the work has been commercially distributed during the period between 1 January 2010 and the date of submission of their application. |

i.e. companies from countries participating to the MEDIA programme

2

| Applicant companies must be | Applicant companies must be | Applicant companies must be |
|---|---|---|
| established in one of the | established in one of the | established in one of the |
| following countries and owned | following countries and owned | following countries and owned |
| and continued to be owned, | and continued to be owned, | and continued to be owned, |
| whether directly or by majority | whether directly or by majority | whether directly or by majority |
| shareholding, by nationals from | shareholding, by nationals from | shareholding, by nationals from |
| these countries: | these countries: | these countries: |
| Member States of the European Union; | Member States of the European Union; | Member States of the European Union; |
| Countries in the European | Countries in the European | Countries in the European |
| Economic Area participating in | Economic Area participating in | Economic Area participating in |
| the MEDIA 2007 Programme | the MEDIA 2007 Programme | the MEDIA 2007 Programme |
| (Iceland, Liechtenstein and | (Iceland, Liechtenstein and | (Iceland, Liechtenstein and |
| Norway); | Norway); | Norway); |
| Countries complying with the | Countries complying with the | Countries complying with the |
| conditions imposed by article 8 | conditions imposed by article 8 | conditions imposed by article 8 |
| of the Council Decision | of the Council Decision | of the Council Decision |
| 1718/2006/CE (Switzerland, | 1718/2006/CE (Switzerland, | 1718/2006/CE (Switzerland, |
| Croatia ³ and Bosnia and | Croatia and Bosnia and | Croatia and Bosnia and |
| Herzegovina under the | Herzegovina under the | Herzegovina under the |
| condition of the finalization of | condition of the finalization of | condition of the finalization of |
| the negotiation process and the | the negotiation process and the | the negotiation process and the |
| formalization of the | formalization of the | formalization of the |
| participation of this country to | participation of this country to | participation of this country to |
| the MEDIA programme). | the MEDIA programme). | the MEDIA programme). |
| A Slate Funding application must contain a slate of at least 3 and a maximum of 5 eligible projects (animation, creative documentary, drama). | A Slate Funding application must contain a slate of at least 3 and a maximum of 5 eligible projects (animation, creative documentary, drama). | The submitted project must be an audiovisual work (one-offs or series) intended for commercial exploitation in one of the following categories: animation, creative documentary or drama. |
| Only proposals completed in | Only proposals completed in | Only proposals completed in |
| full on the official application | full on the official application | full on the official application |
| form (eForm) and submitted by | form (eForm) and submitted by | form (eForm) and submitted by |
| the specified deadline along | the specified deadline along | the specified deadline along |
| with the duly signed full | with the duly signed full | with the duly signed full |
| application package (original | application package (original | application package (original |
| signatures required) sent by the | signatures required) sent by the | signatures required) sent by the |
| specified deadline will be | specified deadline will be | specified deadline will be |
| considered. | considered. | considered. |

³ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.



Selection Criteria

Only proposals fulfilling the following conditions will be considered:

- Companies should prove their financial capacity to complete the proposed action.
- Companies should prove their technical capacity to complete the proposed action.

Award Criteria

Slate Funding

Criteria for Automatic Points

| Criteria | Number of points |
|---|------------------|
| An applicant company established in a country with low production capacity. | 2 |

Award criteria considered by the independent experts

| Total | 60 points | Total | 40 points |
|---|-----------|--|-----------|
| Quality of the distribution strategy | 15 | Potential for European and international distribution | 10 |
| Quality of the financing strategy | 15 | Potential for production and the feasibility of the projects | 10 |
| Quality of the development strategy and consistency of the development budget | 15 | Potential of the creative team | 10 |
| Capacity of the company to develop and produce at a European level | 15 | Quality of the projects | 10 |
| Criteria | Weighting | Criteria | Weighting |
| Criteria relating to the applicant company | | Criteria relating to the submitted projects | |

Total score is achieved by adding the automatic points and the award criteria points allocated by the independent experts.

Slate Funding 2nd stage

Criteria for Automatic Points

| Criteria | Number of points |
|--|------------------|
| An applicant company established in a country with low production capacity | 2 |

Award criteria considered by the independent experts

| Criteria relating to the applicant company | | Criteria relating to the submitted projects | |
|---|-----------|--|-----------|
| Criteria | Weighting | Criteria | Weighting |
| Capacity of the company to develop and produce at a European level | 30 | Quality of the projects | 10 |
| Quality of the development strategy and consistency of the development budget | 10 | Potential of the creative team | 10 |
| Quality of the financing strategy | 10 | Potential for production and the feasibility of the projects | 10 |
| Quality of the distribution strategy | 10 | Potential for European and international distribution | 10 |
| Total | 60 points | Total | 40 points |

Total score is achieved by adding the automatic points and the award criteria points allocated by the independent experts.

Single Project

Criteria for Automatic Points

| Criteria | Number of points |
|--|------------------|
| An applicant company established in a country with low production capacity | 1 |

Award criteria considered by the independent experts

| Criteria relating to the applicant company | | Criteria relating to the submitted project | |
|--|-----------|---|-----------|
| Criteria | Weighting | Criteria | Weighting |
| Quality of the development strategy | 10 | Quality of the project | 40 |
| Consistency of the development budget | 10 | Potential for production and the feasibility of the project | 10 |
| Quality of the financing strategy | 10 | Potential for European and international distribution | 10 |
| Quality of the distribution strategy | 10 | | |
| Total | 40 points | Total | 60 points |

Total score is achieved by adding the automatic points and the award criteria points allocated by the independent experts.

Expected Results

- Increased quality of selected projects presenting potential for trans-national exploitation.
- A stronger position on the European market for companies selected under Slate Funding/Slate Funding 2nd stage schemes.
- Support for 190 Single Projects and 75 Slate Funding applications.

The MEDIA contribution (grant) will be awarded by way of grant decisions for beneficiaries from Member States of the European Union and agreements for an action for other beneficiaries.

2.3. Support for Interactive Works

| Dates of publication | Budget 2013 |
|----------------------|---|
| September 2012 | See index 2.30 of the programming table |

Objective of the Call for Proposals

The aim of the development support is to strengthen the competitiveness of European audiovisual and interactive works by consolidating investment in the development phase of such works. For on and off-line Interactive Works genre, only single project type funding is foreseen.

Potential Beneficiaries

European production companies whose main objects and activities are the production of audiovisual and/or interactive works and which are registered in one of the Member States of the European Union or in one of the countries participating in the MEDIA 2007 Programme and which are owned and continue to be owned, whether directly or by majority shareholding, by nationals from these countries. Interactive Works support is aimed at companies interested in developing on and off-line interactive works.

Eligibility Criteria

Eligible applicant

Applicant companies whose main object and activity is audiovisual and/or interactive work production (or equivalent)

Applicant companies must demonstrate their existence as a legal entity

Applicant companies must be able to provide evidence that they have completed and commercially distributed a previous eligible interactive work

The applicant company must show that this work has been commercially distributed during the period between 1 January 2010 and the date of submission of their application.

Eligible countries

Applicant companies must be established in one of the following countries and owned and continued to be owned, whether directly or by majority shareholding, by nationals from these countries:

Member States of the European Union;

Countries in the European Economic Area participating in the MEDIA 2007 Programme (Iceland, Liechtenstein and Norway);

Countries complying with the conditions imposed by article 8 of the Council Decision 1718/2006/CE

(Switzerland, Croatia⁴ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible actions

The submitted project must be digital interactive content complementing an audiovisual project (drama, creative documentary or animation) specifically developed for at least one of the following platforms: Internet, PC, console, handheld device, Interactive television. This digital content must present: substantial interactivity with a narrative component; originality, creativity and innovation against existing works; European commercial potential.

Eligible proposals

Only proposals completed in full on the official application form (eForm) and submitted by the specified deadline along with the duly signed full application package (original signatures required) sent by the specified deadline will be considered.

Selection Criteria

Only proposals fulfilling the following conditions will be considered:

- Companies should prove their financial capacity to complete the proposed action.
- Companies should prove their technical capacity to complete the proposed action.

Award Criteria

Criteria for Automatic Points

| Criteria | Number of points |
|--|------------------|
| An applicant company established in a country with low production capacity | 1 |

Award criteria considered by the independent experts

| Criteria relating to the applicant company | | Criteria relating to the submitted project | |
|--|----|---|-----------|
| Criteria Weighting | | Criteria | Weighting |
| Quality of the development strategy | 10 | Quality of the content and originality of the concept against existing works | 20 |
| Consistency of the development budget | 10 | Innovation, appropriateness of the techniques used in the work and quality of interactivity | 20 |
| Capacity of the company to realise the project | 10 | Potential for European exploitation and suitability for the target audience | 20 |

⁴ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

| Quality of the financing strategy | 10 | | |
|-----------------------------------|-----------|-------|-----------|
| Total | 40 points | Total | 60 points |

Total score is achieved by adding the automatic points and the award criteria points allocated by the independent experts.

Expected Results

- Increased awareness and interest within the audiovisual sector in the development of multiplatform strategies.
- Support of 20 Interactive projects.

The MEDIA contribution (grant) will be awarded by way of grant decisions for beneficiaries from Member States of the European Union and agreements for an action for other beneficiaries.

2.4. Initiative i2i

| Dates of publication | Budget 2013 |
|----------------------|---|
| October 2012 | See index 2.40 of the programming table |

Objective of the Call for Proposals

"i2i Audiovisual" aims to help audiovisual production companies to access financing from credit and other financial institutions, by supporting some of the costs of guarantees required by such institutions and/or part of the costs of credit agreements.

Module 1: Support for "Insurance" costs

Specific film and audiovisual insurance policies are additional guarantees for credit and financial institutions against the risks associated with audiovisual production. The aim of this module is to co-finance the costs of these insurance policies by subsidising some of the premiums required, thus facilitating access to financing from credit and financial institutions.

Module 2: Support for "Completion Guarantee" costs

Obtaining a completion guarantee is often the key element in a credit or financial institution's decision on whether to provide financing for a film and/or audiovisual project. For credit/financial institutions and investors, these guarantees reduce the risk of financing an audiovisual work. As a result, they facilitate access to financing. The aim of this module is to co-finance the cost of a completion guarantee, thus facilitating access to financing from credit and financial institutions.

Module 3: Support for "Financial Costs"

The aim of this module is to reduce the (financial) costs linked to financing from credit and financial institutions. The amount of the subsidy will be calculated according to the conditions in the credit agreement and the estimated eligible financial costs.

Potential Beneficiaries

Independent audiovisual production companies based in countries participating to the MEDIA Programme.

Eligibility Criteria

Eligible applicant

Only independent European production companies are eligible under this call for proposals. An independent production company is an audiovisual production company which does not have majority control by a television broadcaster, either in shareholding or commercial terms. Majority control is

considered to occur when more than 25% of the share capital of a production company is held by a single broadcaster (50% when several broadcasters are involved) or when, over a three-year period, more than 90% of a production company's revenue is generated in co-operation with a single broadcaster.

Applicant companies must demonstrate their existence as a legal entity.

Eligible country

European production companies are understood to be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway)

Countries complying with the conditions imposed by article 8 of the Council Decision 1718/2006/CE (Switzerland, Croatia⁵ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible actions

The following categories of project are eligible:

- Drama with a minimum duration of 50 min;
- Animation with a minimum duration of 24 min;
- Creative documentaries with a minimum duration of 25 min;

For TV or theatrical release, one off projects or series.

The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA 2007 Programme. 'Significant participation' is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

| ł | Points |
|---|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director / Production Designer | 1 |
| Director of photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| TOTAL | 19 |

(+): European nationality of the involved staff

Projects must have production budgets that are at least 50% financed by European sources (countries

⁵ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

participating in the MEDIA Programme).

For Module 1: Insurance Costs

Applicants from countries with low audiovisual capacity must present a signed insurance contract covering any phase (pre production, production, post production) of the project. The rest of the applicants must also provide a credit agreement (See Module 3 below for definition).

For Module 2: Completion Guarantee

The applicant must present a signed completion guarantee for the project.

For Module 3: Financing Costs

The applicant must have a credit agreement in order to finance the submitted project. The financial costs resulting from this credit must be clearly identifiable and directly related to this project.

Projects that have received European Union support under the MEDIA Television Broadcasting Scheme are not eligible.

Eligible proposals

Only proposals submitted on the official application forms, completed in full, signed in original and received by the specified deadline, will be eligible.

Selection Criteria

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their technical capacity to complete the proposed activities.

Award Criteria

All eligible applications will be assessed according to the award criteria mentioned below. Each application that satisfies the single award criteria will obtain the maximum proposed points.

| No | Criteria | Max Points proposed |
|-----|--|------------------------|
| 1 | MEDIA Development Funding | 25 |
| | - Projects from countries with Low Audiovisual Capacity benefiting from MEDIA Development (Single project or Slate funding). | |
| | - Projects from the big countries benefiting from MEDIA Development Single Project. | |
| | Only one agreement will be taken into account | |
| 2. | Projects with a credit agreement | 25 |
| | Only one agreement will be taken into account | |
| 2.1 | - Credit agreement | 20 |
| 2.2 | - Issued by an EU credit and/or financial institution based in a different country other than of the applicant production company. | 5 |
| 3. | Projects from countries with low audiovisual capacity | 25 |

| 4. | Projects from the Member States entered the EU in 2004 or later (Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia), Bosnia and Herzegovina and Croatia. | 15 |
|-----|--|-------------------------------|
| 5. | Projects with a European dimension: co-productions covering more than one country participating in the MEDIA Programme. | 10 |
| 5.1 | Co-production agreement(s) | 5 |
| 5.2 | Co-producer(s) from Member States entered the EU in 2004 or later, Bosnia and Herzegovina and Croatia. | 2 points per co- producer |
| 5.3 | Co-producer(s) from High Audiovisual Capacity Countries/ Low Audiovisual Capacity Countries | 1 point per co- producer |
| 5.4 | Co-producer(s) from non-participating countries in the MEDIA Programme | 0.5 point per co- producer |
| | Total | 100 |

Within the limits of the budget available, projects with the maximum points on the basis of the above table will be awarded a grant. In the event that, at the conclusion of the above process, more than one project has the same number of points, the quality criterion of the international distribution potential will be examined by the Evaluation Committee:

| International distribution potential | Maximum Points Proposed |
|--|-------------------------|
| Worldwide geographical distribution covered by agreement(s) | 10 |
| Non-national geographical distribution covered by agreement(s) | 5 |

Only projects with a worldwide distribution agreement will receive the maximum 10 points.

Expected Results

The improvement of the use of financial instruments in the production sector by:

- The reduction of access barriers to complex financial instruments.
- Encouraging financial institutions to participate in the production process.
- The support for some 40 production projects.

The MEDIA contribution (Grant) will be awarded by way of agreements for an action.

3. **DISTRIBUTION**

3.1 Distribution Cinema Selective

| Dates of publication | Budget 2013 |
|----------------------|---|
| September 2012 | See index 3.10 of the programming table |

Objective of the Call for Proposals

The aim of the "selective" support scheme is to encourage and support the wider trans-national distribution of recent non national European films by encouraging theatrical distributors in particular to invest in promotion and adequate distribution of non-national European films.

The scheme also aims to encourage the development of links between the production and distribution sector thus improving the competitive position of non national European films.

Potential Beneficiaries

Cinema / theatrical distributors involved in commercial activity designed to bring to the attention of a wide audience a non national European film for the purpose of exploitation in cinema theatres.

Eligibility Criteria

The following criteria must be met by all projects and concern the nature of the beneficiaries and the activities proposed by them.

<u>Eligible applicant</u>

<u>European company</u>: Company owned, whether directly or by majority participation, by nationals of Member States of the European Union or nationals of the other European countries participating in the MEDIA Programme and registered in one of these countries.

<u>Cinema / theatrical distributor:</u> Cinema / theatrical distributors involved in commercial activity designed to bring to the attention of a wide audience a non national European film for the purpose of exploitation in cinema theatres. This should be the principal activity of the company or division of the company. Other companies may be considered as eligible if they submit a distribution plan outlining the technical and operational resources available to execute the proposed action. Such activity may include aspects of the technical publishing of an audiovisual work (dubbing and subtiling, striking of prints, circulation of prints, etc.) as well as marketing and promotional activities (production of trailers and publicity material, the purchase of advertising space, the organisation of promotional events etc.).

Digital distribution can also be supported as long as it is of a minimum quality (=1.3 k).

This excludes DVD, DVIX, Digital Beta or any other support whose resolution is below 1.3K as a copy or source of the films for theatrical release.

Costs that are specific to digital distribution (master or any other digital equivalent of the inter-negative and duplication costs) are thus eligible. Digital or "Virtual" Print Fees are included.

Distributors can be supported for the digital and non-digital distribution of a film at the same time.

A cinema / theatrical distributor should fulfil the following criteria:

- 1. Be the holder of the theatrical distribution rights for the film in the territory concerned;
- 2. Carry out the theatrical distribution of the film in the territory (determines the release date; plans, controls and executes the distribution and promotion campaign), and
- 3. Pay the associated distribution costs.

Limited sub-contracting is allowed, provided that :

- It has been disclosed to the Agency,
- It is substantiated by receipted invoices,
- It complies with the sub-contracting rule.

In the event that distribution activities are shared between several companies, the contracts/agreements between these companies must be disclosed to the Education, Culture and Audiovisual Executive Agency (EACEA). The Agency will normally consider as eligible the company which actually executes

the distribution of the film in the territory. The decision of the Agency will be final.

The use of "physical distributors" for specific services such as the booking of cinemas, circulation of prints and collection of receipts is allowed. Such physical distributors shall not be eligible for support.

The distribution agreements should not have any contractual conditions which would lead to the Union grant being considered as revenue for the film, or change the terms and conditions of payments, calculations or any other contractual terms in any manner whatsoever which may have the effect of taking the Union grant into account.

Conditional clauses (such as execution only if the subsidy is awarded) are also not permitted. Distributors should ensure that their agreements are free of such clauses before submission and will be, in any event, obliged to remedy any such clause before being selected.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia⁶ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

⁶ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

Eligible Actions

<u>European film</u>: Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

The work has been majority produced by a producer or producers established in the countries participating in the MEDIA 2007 Programme. To be considered as the actual producers, the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA 2007 Programme. 'Significant participation' is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

| + | Points |
|---|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director / Production Designer | 1 |
| Director of photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| TOTAL | 19 |

(+): European nationality of the involved staff.

Recent films are those whose first copyright has been established during or after 2010.

Films consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

In order to verify the eligibility of the films, applicants must provide a screener (DVD, etc) of the film for which support is sought. Failure to do so, may lead to the ineligibility of the proposal.

National / Non-national European film: European films will be considered as national in that member state or territory participating in the MEDIA Programme 2007 whose citizens / residents have participated in the highest proportion in the making of the film, on the basis of the points table shown above. They will be considered as non-national in all the other territories.

Small films: Films with a production budget smaller than EUR 3 Mio qualify as small films

Medium films: Films with a production budget between EUR 3 Mio and EUR 15 Mio qualify as medium films.

Films with a production budget over EUR 15 Mio are not eligible for selective support.

Eligible groupings:

Small films: only applications from groupings of at least **five** different eligible distributors operating in different national territories (and preferably with different languages) which propose to distribute one or more recent <u>non-national</u> European films may be eligible.

Medium films: only applications from groupings of at least **seven** different eligible distributors operating in different national territories (and preferably with different languages) which propose to distribute one or more recent <u>non-national</u> European films may be eligible.

| Deadline for submission | Film must not be released before | Film must not be released after |
|-------------------------|----------------------------------|---------------------------------|
| 30/11/2012 | 30/11/2012 | 30/05/2014 |
| 01/04/2013 | 01/04/2013 | 01/10/2014 |
| 01/07/2013 | 01/07/2013 | 01/01/2015 |

One or more distributors who so wish may join a grouping that has been selected in the course of one of the last 2 selection deadlines of the selective scheme.

A written confirmation from the grouping's coordinator acknowledging the participation of the distributor to the grouping is requested.

Eligible proposals:

Only proposals submitted using the official application form, completed in full, signed (original signatures required) and received by the specified deadline, will be considered. The application form must be accompanied by the documents attesting to its financial and operational capacity, and all the other documents referred to in the application form. Applicants must submit a budget that is balanced in terms of expenditure and revenue and must comply with the ceiling for Union cofinancing (50%). The Agency reserves the right to request additional information from the applicant.

The applicant must have theatrical distribution operations in the territory for which a grant is requested.

Applications will normally only be considered as eligible in the territory where the applicant is registered. If the applicant is not registered in the territory in the case of the U.K., Netherlands, Belgium, France, Denmark, Finland, Norway, Sweden, Austria, Germany, Poland, Italy, Spain, Portugal, Greece, Romania, Bulgaria and Switzerland, they will not be eligible.

They may be considered as eligible in other territories if they have provided written evidence of the functioning of a theatrical distribution operation working in the territory concerned, together with copies of any contracts or service agreements.

This last provision concerning the territory does not apply to the following territories as they are linked for distribution purposes: Belgium and Luxembourg; Switzerland and Liechtenstein; Greece and Cyprus; United Kingdom and Ireland.

The selective support cannot be cumulated with reinvestment in distribution costs (Module 3) under the Automatic support for the same film. Applications for distribution costs may only be made to one scheme at a time. A second application for the same film will be ineligible, unless it is made after the applicant has been officially informed that the first application under the other scheme has been unsuccessful.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their operational capacity to complete the proposed activities.

Award Criteria

Small films (Production cost < EUR 3 Mio)

| | Points |
|---|---|
| Number of eligible distributors in the grouping (minimum 5) | 1 point per eligible distributor |
| Number of distributors that have generated a potential fund under the last Automatic Distribution Call for Proposals. | 0.5 additional point per eligible distributor |
| Film produced in FR or UK | 0 |
| Film produced in DE, ES or IT | 1 |
| Film produced in a country with a low production capacity | 2 |
| Film produced in a Member State of the European Union entered the EU in 2004 or later | 3 |
| First or second feature film of the director | 2 |
| Documentary | 2 |
| Animation film | 1 |
| Film for children | 1 |
| The co-ordinator of the grouping is the sales agent / producer of the film (+ 1 if the sales agent is from a different country than the film) | 2 |

Medium films (Production cost: EUR 3 – 15 Mio)

| | Points |
|---|---|
| Number of eligible distributors in the grouping (minimum 7) | 1 point per eligible distributor |
| Number of distributors that have generated a potential fund under the last Automatic Distribution Call for Proposals. | 0.5 additional point per eligible distributor |
| Film with a production budget of EUR $3 - 5$ Mio | 1 |
| Film with a production budget of EUR 5 – 15 Mio | 0 |
| Film produced in FR or UK | 0 |
| Film produced in DE, ES or IT | 1 |
| Film produced in a country with a low production capacity | 2 |
| Film produced in a Member State of the European Union entered the EU in 2004 or later | 3 |
| First or second feature film of the director | 2 |
| Documentary | 2 |
| Animation film | 1 |
| Film for children | 1 |
| The co-ordinator of the grouping is the sales agent / producer of the film (+ 1 if the sales agent is from a different country than the film) | 2 |

If applicants join a grouping of distributors that has been supported for the proposed film in the course of one of the last 2 deadlines of the "selective" support scheme for distribution of the MEDIA Programme, within the limits of 10% of the budgetary resources available at each session, the selection will be automatic.

Expected Results

- An improvement in the trans-national distribution of recent non national European films.
- Increase in the investment in promotion and distribution of non-domestic European films.
- Develop links between the production and distribution sector thus improving the competitive position of non national European films.
- Support for some 700 distribution actions in favour of recent non national European Films.

The MEDIA contribution (grant) will be awarded by way of grant decisions for beneficiaries from Member States of the European Union and agreements for an action for the other beneficiaries.

3.2. TV Broadcasting

| Dates of publication | Budget 2013 |
|----------------------|---|
| September 2012 | See index 3.20 of the programming table |

Objective of the Call for Proposals

Within the distribution sector, one of the objectives is to promote the transnational broadcasting of European audiovisual works produced by independent production companies by encouraging cooperation between broadcasters on the one hand and independent producers and distributors on the other.

Particular attention will be paid to the development of potential in countries or regions with a low audiovisual production capacity and/or a restricted linguistic or geographical area.

Potential Beneficiaries

Independent audiovisual production companies based in countries participating in the MEDIA Programme.

Eligibility Criteria

Eligible applicant

The project must be produced by a European independent production company. An independent production company is an audiovisual production company which does not have majority control by a television broadcaster, either in shareholding or commercial terms. Majority control is considered to occur when more than 25% of the share capital of a production company is held by a single broadcaster (50% when several broadcasters are involved) or when, over a three-year period, more than 90% of a production company's revenue is generated in co-operation with a single broadcaster.

Applicant companies must demonstrate their existence as a legal entity.

In case of co production, the applicant company must be the majority co producer.

Eligible countries

The applicant company should be registered in one of the following countries and owned and continuing to be owned, whether directly or by majority participation, by nationals from these countries:

The Member States of the European Union;

Countries in the European Economic Area participating in the MEDIA 2007 Programme (Iceland, Liechtenstein and Norway);

Countries complying with the conditions imposed by article 8 of the Council Decision 1718/2006/CE (Switzerland, Croatia⁷ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme

Eligible actions

The work must be a drama, animation or documentary intended for the television market and cannot be a sequel or a series of episodes based in whole or in part on a previous series.

⁷ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

The work must be produced with a significant participation of professionals who are citizens and/or residents of the countries participating in the MEDIA Programme.

The application must be submitted at the latest on the first day of principal photography.

At least 3 broadcasters companies from three Member States of the European Union or countries participating in the MEDIA 2007 Programme must be involved in the project.

The exploitation rights licensed to the broadcasters participating in the production have to revert to the producer after a maximum license period of:

7 years if the broadcaster's participation takes the form of a pre-sale.

10 years if the broadcaster's participation also takes the form of a co-production.

A minimum of 50% of the financing of the budget of the action must be guaranteed from third party sources of finance.

The production budget must be minimum 50% financed by European sources (countries participating in the MEDIA Programme).

Respect of the number of applications by project.

Eligible proposals

Only proposals submitted on the official application forms, completed in full, signed in original and received by the specified deadline, will be eligible.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their technical capacity to complete the proposed activities.

Award Criteria

The award criteria relates to the evaluation done by independent experts.

| Criteria related to the distribution of the work | Criteria related to the work | Criteria related to the company |
|---|--|--|
| The European dimension and financing of the work: 45 points | International appeal and Quality of the work: 25 points | Track record of international sales: 10 points |
| International distributor's involvement: 10 points | Enhancement of European linguistic and cultural diversity: 7 points | |
| | Enhancement of the European audiovisual heritage: 3 points | |
| Total: 55 points | Total: 35 points | Total: 10 points |

Expected Results

Increase the circulation of European audiovisual works and enhancement of the transnational broadcasting strategies.

- Set up of networks of European TV co-productions.
- Strengthen producers' independence in relation to broadcasters.
- Encourage the production and distribution of high quality works for the TV market.
- Support for some 70 independent television productions.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

3.3. Cinema Network

| Dates of publication | Budget 2013 |
|--|---|
| May 2012 – Call for Proposals EACEA 17/2012 (OJ C135 of 9.05.2012) | See index 3.30 of the programming table |

The MEDIA contribution (grant) will be awarded by way of a specific agreement for the second year of activities to the partner who has signed a 2-year framework partnership agreement under the Call EACEA 17/2012. The name of the selected partner will be included in a future revision of this Work programme.

3.4. Distribution Cinema Automatic

| Dates of publication | Budget 2013 |
|--|---|
| April 2011 - Call for Proposals EACEA 01/2011 (OJ C121 of 19.04.2011) | See index 3.40 of the programming table |
| February 2012 – Call for Proposals EACEA 7/2012 (OJ C60 of 29.02.2012) | |
| December 2012 | |

For Reinvestment projects presented as a result of Calls for Proposals EACEA01/2011 and EACEA 07/2012, the detailed criteria set out in the Work Programme 2011 and 2012 respectively will continue to apply.

Objective of the Call for Proposals

The aim of the «Automatic » support scheme is to encourage and support the wider transnational distribution of recent European films by providing Funds to distributors, based upon their performance on the market, for further reinvestment in new non-national European films.

The scheme also aims to encourage the development of links between the production and distribution sectors thus improving the market share of European films and the competitiveness of European companies.

The « automatic » support scheme works in two phases:

(1) The generation of a potential Fund, proportional to the number of paying admission tickets sold for non-domestic European films in States participating in the Programme, up to a fixed ceiling per film and adjusted for each country.

- (2) Reinvestment: the potential Fund thus generated by each company must be reinvested in:
 - The co-production of non-domestic European films;
 - The acquisition of distribution rights, for example by means of minimum guarantees, of non-national European films; and/or in
 - The editing costs (prints, dubbing and subtitling), promotion costs and publicity costs for non-national European films.

Potential Beneficiaries

Cinema / theatrical distributors involved in commercial activity designed to bring to the attention of a wide audience a non national European film for the purpose of exploitation in cinema theatres.

Eligibility Criteria

<u>Eligible applicant</u>

<u>European company</u>: Company owned, whether directly or by majority participation, by nationals of Member States of the European Union or nationals of the other European countries participating in the MEDIA Programme and registered in one of these countries.

<u>Cinema / theatrical distributor:</u> Cinema / theatrical distributors involved in commercial activity designed to bring to the attention of a wide audience a non national European film for the purpose of exploitation in cinema theatres. This should be the principle activity of the company or division of the company. Other companies may be considered as eligible if they submit a distribution plan outlining the technical and operational resources available to execute the proposed action. Such activity may include aspects of the technical publishing of an audiovisual work (dubbing and subtitling, striking of prints, circulation of prints, etc.) as well as marketing and promotional activities (production of trailers and publicity material, the purchase of advertising space, the organisation of promotional events etc.).

Digital distribution can also be supported as long as it is of a minimum quality (=1.3 k).

This excludes DVD, DVIX, Digital Beta or any other support whose resolution is below 1.3K as a copy or source of the films for theatrical release.

Costs that are specific to digital distribution (master or any other digital equivalent of the internegative and duplication costs) are thus eligible. Digital or "Virtual" Print Fees are included.

Distributors can be supported for the digital and non-digital distribution of a film at the same time.

A cinema / theatrical distributor should fulfil the following criteria:

- 1. Be the holder of the theatrical distribution rights for the film in the territory concerned;
- 2. Carry out the theatrical distribution of the film in the territory (determines the release date; plans, controls and executes the distribution and promotion campaign), and
- 3. Pay the associated distribution costs.

Limited sub-contracting is allowed, provided that :

- It has been disclosed to the Agency,
- It is substantiated by receipted invoices,

- It complies with the sub-contracting requirements as explained in the Guidelines.

In the event that distribution activities are shared between several companies, the contracts/agreements between these companies must be disclosed to the Agency. The Agency will normally consider as eligible the company which actually executes the distribution of the film in the territory. Physical distributors shall not be eligible for support.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia⁸ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible actions

<u>European film</u>: Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

The work has been in majority produced by a producer or producers established in the countries participating in the MEDIA 2007 Programme. To be considered as the actual producers, the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA 2007 Programme. 'Significant participation' is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

| + | Points |
|---|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director / Production Designer | 1 |
| Director of photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| TOTAL | 19 |

(+):European nationality of the involved staff.

Recent films are those whose first copyright has been established during or after 2009.

Films consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

<u>National / Non-national European film:</u> European films will be considered as national in that member state or territory participating in the MEDIA Programme 2007 whose citizens / residents have

⁸ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

participated in the highest proportion in the making of the film, on the basis of the points table shown above. They will be considered as non-national in all the other territories.

<u>Eligible admissions:</u> cinema admissions where a <u>normal</u> ticket price was actually paid to the relevant exhibitor (including any special offers or discounts) but explicitly excluding those admissions where no fee was paid. Only those paid admissions declared by the applicant distributor and certified by the relevant national correspondent will be considered as eligible.

Please note that admissions will normally only be considered as eligible in the territory where the applicant is registered. In all other cases, an Applicant will have to provide written evidence of the functioning of a theatrical distribution operation working in the territory concerned, together with copies of any contracts or service agreements. Sub-distribution contracts will not be accepted. These provisions do not apply to the following territories as they are linked for distribution purposes: Belgium and Luxembourg; Switzerland and Liechtenstein; Greece and Cyprus; United Kingdom and Ireland.

<u>Eligible Proposals</u>

Only proposals submitted using the official application form, completed in full, signed (original signatures required - photocopies are not accepted) and received by the specified deadline, will be considered. The application form must be accompanied by an official letter from the applicant organisation, documents attesting to its financial and operational capacity, and all the other documents referred to in the application form. Applicants must submit a budget that is balanced in terms of expenditure and revenue and must comply with the ceiling for European Union cofinancing (40-60%), determined by the nature of the project. The Agency reserves the right to request additional information from the applicant.

• The applicant must have theatrical distribution operations in the territory for which a grant is requested.

Applications will normally only be considered as eligible in the territory where the applicant is registered. If the applicant is not registered in the territory in the case of the U.K., Netherlands, Belgium, France, Denmark, Finland, Norway, Sweden, Austria, Germany, Poland, Italy, Spain, Portugal, Greece, Romania, Bulgaria and Switzerland, they will not be eligible.

They may be considered as eligible in other territories if they have provided written evidence of the functioning of a theatrical distribution operation working in the territory concerned, together with copies of any contracts or service agreements.

This last provision concerning the territory does not apply to the following territories as they are linked for distribution purposes: Belgium and Luxembourg; Switzerland and Liechtenstein; Greece and Cyprus; United Kingdom and Ireland.

The distribution agreements should not have any contractual conditions which would lead to the European Union grant being considered as Revenue for the project, or change the terms and conditions of payments, calculations or any other contractual terms in any manner whatsoever which may have the effect of taking the European Union grant into account.

Conditional clauses (such as execution only if the subsidy is awarded) are also not permitted. Distributors should ensure that their agreements are free of such clauses before submission and will be, in any event, obliged to remedy any such clause before being selected.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their operational capacity to complete the proposed activities.

Award Criteria

Generation Stage

A potential Fund will be attributed to eligible European distribution companies on the basis of the admissions achieved by the European non-national films distributed by the applicant in the reference year (2012).

The potential Fund will be calculated based upon a fixed amount per eligible entry. The maximum amount of the potential fund for this call shall be EUR 20 million. If the sum of generated funds exceeds EUR 20 million, each potential fund will be reduced proportionally.

The support will take the form of a potential Fund (the "Fund") available to distributors for further investments in recent non-national European films.

The potential Fund will be calculated on the following basis:

- All paid admissions generated by recent non-national European films shall be declared by the applicant companies using the attached forms. Only paid admissions achieved between 1st January and 31st December 2012 will be eligible. The paid admissions achieved by a film already supported by the MEDIA Programme shall be eligible.
- On the basis of the applicants declarations, and with the co-operation of the correspondents designated by the Member States, the total number of eligible paid admissions per company per territory per year shall be calculated according to the following formula :
 - All paid admissions for a single non-national European film shall be eligible up to a limit fixed per film and per territory (see table below);

| Territory of distribution | Maximum threshold (nr of admissions) |
|--|--------------------------------------|
| Germany, Spain, France, Italy | 600,000 |
| Austria, Belgium, Switzerland, The Netherlands, Poland, United Kingdom | 200,000 |
| Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden | 150,000 |
| Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Estonia, Iceland, Ireland, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Romania, Slovakia, Slovenia | 32,000 |

- This limit can be reached in one or more years but in any case all paid admissions over the maximum threshold (see table below) for an individual film shall not be eligible.

Only those paid admissions declared by the applicant and certified by the relevant national correspondent will be considered as eligible.

• The amount of the potential Fund generated will be calculated by multiplying the number of eligible admissions by a fixed amount per admission. The following table summarizes the parameters used for the calculation:

| Territory of distribution | Amount per eligible admission | | |
|--|-------------------------------|------|------|
| | originating from France | | 6 6 |
| Germany, Spain, France, Italy | 0,40 | 0,50 | 0,70 |
| Austria, Belgium, Switzerland, The Netherlands, Poland, United Kingdom | 0,45 | 0,55 | 0,70 |
| Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden | 0,50 | 0,60 | 0,70 |
| Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Estonia, Iceland, Ireland, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Romania, Slovakia, Slovenia | | 0,65 | 0,70 |

The calculation includes 3 different thresholds in the number of admissions for which different percentages of the entries are applied. See table below.

The first admissions of a film (from the first release) will receive 150% of the initial amount fixed in above table, up to the second threshold the calculation will be done with 100% of the initial amount and then up to the maximum threshold admissions will receive only 35% of the initial amount.

| Territory of distribution | Number of admission thresholds | | |
|--|--------------------------------|---------------------------|-------------------|
| | 1 st threshold | 2 nd threshold | Maximum threshold |
| | 150% | 100% | 35% |
| Germany, Spain, France, Italy | 75,000 | 300,000 | 600,000 |
| Austria, Belgium, Switzerland, The Netherlands, Poland, United Kingdom | 25,000 | 100,000 | 200,000 |
| Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden | 18,000 | 75,000 | 150,000 |
| Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Estonia, Iceland, Ireland, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Romania, Slovakia, Slovenia | 4,000 | 16,000 | 32,000 |

The amounts indicated above are provisional and may be subject to modification depending upon the budgetary resources available.

One of the principal objectives of the « Automatic » support scheme is to have a significant effect upon the marketing of European films. Thus, and for reasons of efficiency, a series of minimum availability thresholds have been defined.

| TERRITORY OF DISTRIBUTION | Minimum Threshold for the potential Fund (in EUR) |
|--|--|
| Germany, Spain, France, Italy | 10,000 |
| Austria, Belgium, Switzerland, The Netherlands, Poland, United Kingdom | 5,000 |
| Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden | 3,000 |
| Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Estonia, Iceland, Ireland, Latvia, Lithuania, Luxemburg, Malta, Romania, Slovakia, Slovenia | - |

In the event that the potential Fund generated by a company in a given year does not reach the minimum threshold, the potential Fund will not be available. This amount may however be carried forward and be available in the following year, if the accrued potential Fund generated for the two years is greater than the threshold.

Please note that in the special case of Liechtenstein, there is no minimum threshold as rights are invariably sold together with Switzerland: therefore, the award generated by this territory will be added automatically to the Swiss funds.

Following the calculation of the potential Fund generated, a notification letter will be sent by the Agency to the beneficiary. This letter will indicate the amount of the potential Fund and the reinvestment criteria to meet to be able to use this potential Fund.

Reinvestment Stage

The potential Fund generated may only be used through reinvestment projects. The potential Fund can be reinvested:

- (1) In the production of new non-national European films (i.e. films not yet completed at the date of application for reinvestment);
- (2) In the meeting of Minimum Distribution Guarantees for recent non-national European films;
- (3) In the meeting of distribution costs i.e. P&A (promotion and advertising) for recent nonnational European films.

For reinvestment modules 1 and 2, applicants can be eligible for selective support for the distribution of the same film.

Reinvestment in distribution costs (3) cannot be cumulated with a selective support for the same film. Applications for distribution costs may only be made to one scheme at a time. A second application for the same film will be ineligible, unless it is made after the applicant has been officially informed that the first application under the other scheme has been unsuccessful.

Reinvestment of the potential Fund into completed projects (i.e. released films) is impossible. This applies to all modules.

Applicants can present applications for reinvestment projects starting from 1st October 2013.

Reinvestment projects will only be processed by the Agency after the establishment of the letter informing the beneficiary of the amount of the potential Fund she/he has generated. The reinvestment projects will

be treated on the basis and within the limits of the potential Fund generated by the distributor as calculated and notified by the Agency. Reinvestment projects must be approved by the Agency.

Combining the funds generated by different reference years and under different calls into a single Reinvestment project is not permitted, which means that the last contribution request from a series of reinvestment projects will be limited to the balance of the current fund.

Reinvestment projects agreed by the Agency will be the subject of an agreement between the Beneficiary and the Agency setting out the terms and conditions of the financial contribution granted.

The amount of the fund that may be drawn for a given reinvestment project may not exceed a certain percentage of the total cost of the proposed reinvestment project, defined in the following table:

| Maximum percentage of the reinvestment project's costs to be covered by the reinvested fund | | | | |
|--|--|------------|--|--|
| | Country of origin of the reinvestment film | | | |
| | FR - UK | DE, IT, ES | Country with a low production capacity | |
| Module 1 (co-production) | 60 % | 60 % | 60 % | |
| Module 2 (MG) Licence agreement signed before completion of the principal photography of the film | 60 % | 60 % | 60 % | |
| Module 2 (MG) Licence agreement signed after completion of the principal photography of the film | 40 % | 50 % | 60 % | |
| Module 3 (P&A) | 50 % | 50 % | 60 % | |

The following deadline dates are applicable to the different modules:

| Module | Dates of the project | Deadline for presentation of the reinvestment project | Period of eligibility of costs |
|-------------------------|---|---|-----------------------------------|
| 1. Co- production | The co-production contract may be signed at the earliest on 1/10/2013 | Within 3 months of the signature of the co-production contract and no later than 01/10/2014 | From 1/10/2013 until 1/04/2016 |
| 2. Minimum guarantee | The distribution contract/ license agreement may be signed at the earliest on 1/10/2013 | Within 3 months of the signature of the distribution contract/license agreement (Deal Memo or Long Form Agreement are both accepted) and no later than 01/10/2014 | From 1/10/2013 until 1/04/2016 |
| 3. P&A costs | The first theatrical release of the film in the territory may take place at the earliest on 1/10/2013 and at the latest on 01/10/2015 | At the latest on the day of the first theatrical release of the film in the territory and no later than 01/10/2014 | From 1/04/2013 until 1/10/2016 |

Expected Results:

- An improvement in the trans-national distribution of recent non national European films.
- Increase in the investment in the production, acquisition, promotion and distribution of non-domestic European films.
- Develop links between the production and distribution sector thus improving the competitive position of non-national European films.
- Support for some 700 distribution actions in favour of recent non national European Films.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

3.5. Sales Agents

| Dates of publication | Budget 2013 |
|--|---|
| April 2011 – Call for Proposals EACEA 3/2011 (OJ C121/62 of 19/04/2011) | See index 3.50 of the programming table |
| April 2012 – Call for Proposals EACEA 8/2012 (OJ C103 11.04.2012) | |
| February 2013 | |

For Reinvestment projects presented as a result of Calls for Proposals EACEA/03/2011 and EACEA/08/2012, the detailed criteria set out in the Work Programme 2011 and 2012 respectively will continue to apply.

Objective of the Call for Proposals

The aim of this support scheme is to encourage and support the wider transnational distribution of recent European films by providing funds to sales agents, based upon their performance on the market, for further reinvestment in new non-national European films.

The scheme also aims to encourage the development of links between the production and distribution sectors thus improving the competitive position of non-national European films and the competitiveness of European companies.

The "Sales Agents" support scheme works in two phases:

- 2. The <u>generation</u> of a potential Fund, which will be calculated according to the performance of the company on the European market over a given period.
- 3. <u>Reinvestment</u>: the potential Fund thus generated by each company must be reinvested in:
 - Minimum guarantees or advances paid for the international sales rights on new European non-national films;
 - The promotion, marketing and advertising on the market of new non-national European films.

Potential Beneficiaries

European companies whose activities contribute to the realisation of the above objectives, and in particular at sales agents companies.

Eligibility Criteria:

<u>Eligible applicant</u>

European company

Company owned, whether directly or by majority participation (i.e. majority of shares), by nationals of Member States of the European Union or nationals of the other European countries participating in the MEDIA Programme and registered in one of these countries.

Sales Agent

Any European company acting as an intermediary agent for the producer, who specialises in the commercial exploitation of a film by marketing and licensing a film to distributors or other purchasers for foreign territories. The Sales Agent must be appointed by the Producer of the film by way of a written contract or agreement. A contract / agreement signed between a Sales Agent and a Producer will be considered as an international sales contract / agreement only if it provides for the right of the Sales Agent to sell the film in **at least 10 countries** participating in the MEDIA Programme.

Cinema / Theatrical distribution

Any commercial activity designed to bring to the attention of a wide audience a film for the purpose of exploitation in cinema theatres. Such activity may include aspects of the technical publishing of an audio-visual work (dubbing and subtitling, striking of prints, circulation of prints, etc.) as well as marketing and promotional activities (production of trailers and publicity material, the purchase of advertising space, the organisation of promotional events etc.).

International sales of cinema films.

Any commercial activity designed to promote and sell the exploitation rights to a cinematographic film on the marketplace, in particular to cinema distributors. This activity includes, inter alia:

The negotiation and execution of contracts licensing the rights to exploit or exhibit the film.

The promotion and advertising of the film in markets or festivals (screenings, advertising, promotional events).

The design and dissemination towards potential buyers of promotional material for the film (EPK, stills, slides, "making-of" ...).

The design and dissemination towards the press (trade press or other) and the potential audience of the film of promotional material and information (web site...).

<u>Eligible countries</u>

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia⁹ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible actions

⁹ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

European film

Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

The work has been in majority produced by a producer or producers established in the countries participating in the MEDIA Programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA 2007 Programme. 'Significant participation' is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

| + | Points |
|---|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director / Production Designer | 1 |
| Director of photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| TOTAL | 19 |

(+):European nationality of the involved staff.

Recent films are those whose first copyright has been established during or after 2008.

Films consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

National / Non-national European film

European films will be considered as national in that member state or territory participating in the MEDIA Programme whose citizens / residents have participated in the highest proportion in the making of the film, on the basis of the points table shown above. They will be considered as non-national in all the other territories.

<u>Eligible proposals</u>

Only proposals submitted using the official application form, completed in full, signed (original signatures required) and sent by the specified deadline, will be considered.

The application form must be accompanied by an official letter from the applicant organisation, and all the other documents referred to in the application form.

Applicants must submit a budget that is balanced in terms of expenditure and revenue and must comply with the ceiling for European Union co-financing, set at 50%.

The Agency reserves the right to request additional information from the applicant.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their operational capacity to complete the proposed activities.

Award Criteria

Generation Stage

A potential Fund will be attributed to eligible European Sales Agents on the basis of their performance on the European markets (i.e. countries participating in the MEDIA Programme).

The support will take the form of a potential Fund (the "Fund") available to Sales Agents for further investments in recent non-national European films.

Within the limit of the budgetary resources available, the amount of potential fund available to each Sales Agent will be calculated on the following basis:

- A) <u>Step 1</u>. The applicant sales agent shall provide evidence of its activity as a sales agent for European cinematographic films. To this end, the sales agent shall prove that:
 - It was, between 01/01/2008 and 31/12/2012 the appointed sales agent of at least 8 recent European films¹⁰ (of which at least 1 non-national film), for which the agreement with the producer provided the right to sell the film in at least 10 countries participating to the MEDIA Programme; the mandate must be signed and take effect within the reference period;
 - And that, during the same period, for at least 4 of these films in at least 3 countries participating in the MEDIA Programme, outside the country of origin of the films there was a theatrical release as evidenced by distributor declarations to the MEDIA Programme Cinema Automatic scheme.

In exceptional circumstances where the national theatrical release has not been reported to the Automatic scheme, the declaration of the applicant Sales Agent may be accepted in the event that it is accompanied by independent proof which can reasonably be verified by EACEA.

If this first step is successfully completed, the sales agent shall be entitled to a potential support of $\notin 20,000$.

- B) <u>Step 2</u>. If (and only if) the applicant sales agent has completed successfully the conditions set out for the first step, an additional potential fund may be available. This fund will be calculated according to the following principle:
 - a) As a percentage of the total potential fund generated in the framework of the automatic support scheme for theatrical distribution by the non-national films:
 - 10 % for films from countries with a high production capacity (DE, ES, FR, IT, UK);
 - 15 % for films coming from countries "with a low production capacity" excluding the member states entered the EU in 2004 or later and defined below;
 - 20 % for films coming from Member States (entered the EU in 2004 or later) of the European Union (Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia) and Bosnia and Herzegovina and Croatia.
 - b) Besides the films released to be eligible by distributor declarations to the MEDIA Programme Cinema Automatic Scheme, the sales agent will generate an additional potential fund of € 1,500 per extra film declared in at least 3 countries participating in the

10

I.e. European films whose first copyright has been established during or after 2008.

MEDIA Programme, outside the country of origin of the films (as evidenced by distributor declarations to the MEDIA Programme Cinema Automatic scheme).

The amounts indicated above are provisional and may be subject to modification depending upon the budgetary resources available.

The generation stage is a method to calculate a maximum potential fund to be reinvested in new projects depending upon the budget available. The notification to the sales agent of the potential Fund generated does not constitute a claim on the European Commission/Agency.

Shall the sum of generated funds exceed € 1.5 million, each potential fund will be reduced proportionally.

Reinvestment Stage

Sales agents can present reinvestment actions starting from the deadline of the Call.

These actions will be processed by the Agency following the assessment of the "generation" phase of the fund, and will be treated on the basis and within the limits of the potential Fund generated by the sales agent as calculated and notified by the Agency.

The potential Fund can be reinvested:

- 1. In the meeting of Minimum Sales Guarantees for new European non-national films.
- 2. In the meeting of promotion and marketing costs for new European non-national films.

The potential Fund can be reinvested in one or several films. Reinvestments in Module 1 (MG) and in Module 2 (promotion costs) for the same film are allowed.

Beneficiaries wishing to reinvest (part of) their potential Fund should send to the Agency a request for reinvestment. Reinvestment actions must be approved by the Agency. Reinvestment of the potential Fund into completed actions is impossible.

Reinvestment actions of the potential fund generated by this Call for proposals need to respect the following deadlines:

Earliest start date of the action: The international sales contract/agreement with the producer can be signed at the earliest on the "Generation" deadline of the Call.

Deadline for presentation of the reinvestment action: The reinvestment applications must be submitted to the Agency within 6 months of the signature of the international sales contract/agreement with the producer and no later than 1st March 2015.

The potential fund which is not reinvested by the beneficiary by the 1st March 2015 will be lost.

Expected Results

Improved cross border distribution of non national European films and increased cooperation between distributors and Sales Agents.

Support for some 50 Sales/distribution actions in favour of recent non national European Films.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

3.6. Digitisation of Cinemas

| Dates of publication | Budget 2013 |
|---|---|
| May 2012 – Call for Proposals EACEA 14/2012 (OJ C150 26.05.2012) | See index 3.60 of the programming table |
| January 2013 | |

Objective of the Call for Proposals

The aim of the digitisation support is to facilitate the digital transition of cinemas screening European films by subsidising part of the side costs incurred by cinema owners and operators for investment in digital equipment.

Potential Beneficiaries

European exhibitors based in countries participating in the MEDIA Programme.

Eligibility Criteria

<u>Eligible applicant</u>

A European independent theatre is a company, association or organisation with a single or several screens operating under the same trade name and based in countries participating in the MEDIA Programme. The screening of films should be the principal activity of the applicant or division of the applicant organisation.

Only those cinemas shall be eligible:

That are first run cinemas (programming European films in first run, within a maximum period of twelve months after the first national release);

That have been open to the public for a minimum of two years;

That possess a ticketing and entry declaration system;

That have at least one screen and 70 seats;

That had at least 520 screenings per year for permanent cinema (i.e. cinemas in operation for a period of at least 6 months per year), 300 screenings per year for single screen theatres (30 screenings per month) and at least 30 screening per month for summer / open air cinemas (cinemas in operation for less than 6 months per year);

That had at least 20,000 cinema admissions where a normal ticket price was actually paid in the previous twelve months.

Applicants who have or will receive a projector from 3^{rd} party integrator as a result of signing a VPF deal will not be eligible for support.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia¹¹ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible action

Support to the side costs linked to the purchase of a digital projector meeting the content security requirements for Digital Cinema Initiative (DCI) compliance.

Eligible Film Programming

¹¹ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

Current programming: screenings of minimum 50 % European films.

A film is considered as European if it complies with the following definition:

Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

The work has been in majority produced by a producer or producers established in the countries participating in the MEDIA Programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA 2007 Programme. 'Significant participation' is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

| + | Points |
|---|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director / Production Designer | 1 |
| Director of photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| TOTAL | 19 |

(+): European nationality of the involved staff.

Consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

Eligible proposals

Only those applications using the official forms, duly completed and with the original signatures required which are received within the specified period will be eligible.

Selection Criteria

Financial capacity

Applicants must declare on their honour that they have sufficient funds and financial capacity to execute the submitted project.

Operational capacity

The applicants should prove their operational capacity to complete the proposed activities. In order to permit an assessment of their operational capacity, organisations must submit, together with their applications:

The programming schedule of the last two years, including the titles of films, number of screenings, admissions, receiving other support for each European film, etc.

Award Criteria

| Criteria | Points |
|---|--------|
| European dimension (% of Non National European Films) | 100 |

Expected Results

- Improved access to Digital Distribution sites for the cross border distribution of non national European films.
- Support for the digitisation of some 200 screens per annum showing a high percentage of non-national European films.

The MEDIA contribution (grant) will be awarded by way of grant decisions for beneficiaries from Member States of the European Union and agreements for an action for the other beneficiaries. The grant will take the form of a single payment of \notin 20,000 on the basis of the submission of an invoice showing that a projector has been bought.

4 **PROMOTION**

4.1. Market Access (including Promotion outside MEDIA countries)

| Dates of publication | Budget 2013 |
|---|---|
| Call for Proposals EACEA/14/2011 (OJ C123 of 21.04.2011). | See index 4.10 of the programming table |
| Call for Proposals EACEA/35/2011 (OJ C 321 of 05.11.2011) | |
| September 2012 | |

Objective of the Call for Proposals

The specific objectives of the present Call for Proposals are:

- To improve the circulation of European audiovisual works by ensuring that the European audiovisual sector has access to European and international professional markets.
- To encourage common actions between national film and audiovisual programme promotion organisations.

For the implementation of these objectives, particular attention will be paid to the specific needs of countries with a low audiovisual production capacity, as well as to the development of an independent European production and distribution sector, in particular small and medium-sized enterprises.

Priority will be given to actions, which shall maintain and develop the geographical diversity of the European programmes presented and of the European professionals participating, in particular of those coming from countries with a low A/V production capacity and from the EU Member states entered the EU in 2004 or later.

The operational objectives of the MEDIA Promotion/Access to Markets Support scheme are to improve the conditions of access for professionals to trade events and to professional audiovisual markets inside and outside Europe, to encourage and support the constitution of European catalogues and the setting up of databases of European programme catalogues intended for professionals, to encourage support for promotion from the pre-production or production phase and to encourage networking and coordination of European common actions.

Potential Beneficiaries

Proposals can be submitted either by an individual European operator or by a European network of national public or private operators specialised in promotion activities. This scheme is not intended to cater for the individual action(s) of a single company in support of their own products.

Eligibility Criteria

<u>Eligible applicant</u>

Applicants which benefit from the Programme shall be owned and shall continue to be owned, whether directly or by majority participation, by Member States and/or Member State nationals or nationals of the other European countries participating in the MEDIA Programme and registered in one of these countries.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia¹² and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

<u>Eligible activities</u>

Actions and their activities taking place inside and/or outside Europe are eligible.

Furthermore, only those applications corresponding to at least one of the 4 Actions described below will be considered as eligible:

Action 1. Access to markets for European professionals

Actions aiming at improving the conditions governing access by professionals to trade shows and professional audiovisual markets within and outside Europe and via specific technical and financial support schemes as part of the action, such as:

The main European and international cinema markets;

The main European and international television markets;

Thematic markets, particularly for animated films, documentaries, multimedia and new technologies.

<u>Action 2.</u> Promotion of European A/V and/or cinematographic works before and/or during the production phase

The promotion of the production and co-production of European A/V and/or cinematographic works, as from the development phase of the work in question. Such support will take the form of co-production and financing initiatives and events.

The setting up and launch of promotional initiatives for European A/V and/or cinematographic works in production, in order to facilitate their distribution at a European and international level.

<u>Action 3.</u> Computer-based Information tools on the A/V and cinematographic industry, intended for the professionals

Creation and development of a database and/or a network of databases of European programmes

¹² Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

and/or professionals of the A/V industry, intended for professionals.

Creation and development of Information and/or Communication computer tools on the European A/V and/or cinema industry targeted at the professionals of this industry. This may take the form of internet websites and/or portals.

Action 4. Common European promotional activities

The implementation of common promotional activities organized by pan European promotion organisations representing at least 15 MEDIA countries, aimed at facilitating the promotion and circulation of European A/V and/or cinematographic works and the networking of European professionals.

Eligible proposals

To be eligible, the applications must:

- Be submitted using the official application forms,
- Include all the official forms, duly completed and signed by the applicant's legal representative,
- Be sent to the Agency by the relevant deadline (postmark will be taken as proof of timely sending),
- Include a signed, detailed, balanced and correctly calculated budget complying with all the conditions set out in this call for proposals, and
- Include all documents mentioned in the guidelines and application forms.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

The organisations should prove their financial capacity to complete the proposed activities.

The organisations should prove their technical capacity to complete the proposed activities.

Award Criteria

| European dimension of the action | 30 points |
|--|------------|
| Impact on the Promotion & Circulation of European Audiovisual Works | 30 points |
| Quality and Cost-effectiveness of the action plan submitted | 25 points |
| Innovative aspects of the action | 5 points |
| Promotion of European A/V works from countries with a low audiovisual production capacity | 10 points |
| Total | 100 points |

Expected Results

Support of initiatives contributing to:

- An increased presence and diversity of European professionals, projects as well as finished works at markets and trade fair inside and outside Europe.
- An increased circulation of market information, project and works inside and outside Europe

• In total the scheme aims at the support of 50 projects (including the 32 projects under a Framework Partnership agreement – see below).

In addition Specific grants will be awarded in 2013 to support the third year of activities (of a maximum of three) of the 15 following partners, selected under the Call for Proposals EACEA 14/2011 (OJ C123 of 21.04.2011).

| Company name | Event Name | Maximum MEDIA contribution |
|---|--|----------------------------------|
| Association Européenne du Film d'Animation | Cartoon Movie 2013 | 314,600.00€ |
| EUROPEAN FILM PROMOTION e.V. | Film Sales Support Initiative (FSS) | 845,508.50€ |
| STICHTING FILMFESTIVAL ROTTERDAM (ST. FILMFESTIVAL ROTTERDAM) | Cinemart 2013 | 302,500.00€ |
| VISIONS DU REEL | Doc Outlook 2013 International Market | 145,200.00 € |
| Kulturveranstaltungen des Bundes in Berlin | Berlinale Co-Production Market 2013 | 127,050.00€ |
| EUROPEAN DOCUMENTARY NETWORK, (EDN) | EDN Workshops Southern Europe | 133,100.00€ |
| ASSOCIATION FRANCAISE DU FESTIVAL INTERNATIONAL DU FILM (AFFIF) | Cinando | 151,250.00€ |
| Institut Dokumentarniho Filmu (IDF) | East European Promotional Program for Support of Documentary | 181,500.00€ |
| SAUVE QUI PEUT LE COURT METRAGE | Marché du film court de Clermont- Ferrand 2013 | 217,800.00 € |
| EUROPA CINEMAS | Soutien à la distribution de films européens dans les salles de cinéma des pays hors Media | 968,000.00€ |
| NISI MASA ASSOCIATION | European Short Pitch 2013 | 48,400.00 € |

| THESSALONIKI FILM FESTIVAL | Thessaloniki International Doc Market | 75,020.00€ |
|----------------------------|--|-------------|
| ART FEST LTD | Sofia Meetings 2013 | 90,750.00€ |
| ONLINE FILM FINANCING | Olffi.com 2013 | 157,300.00€ |
| CINEUROPA | Cineuropa.org, the site for European Cinema | 363,000.00€ |

Furthermore, specific grants will be awarded in 2013 to support the second year of activities (of a maximum of three) of the 17 following partners, selected under the Call for Proposals EACEA 35/2011 (OJ C 321 of 05.11.2011).

| Company name | Event Name | Maximum MEDIA contribution |
|--|---|-------------------------------|
| Association Européenne du Film d'Animation | Cartoon Forum 2013 | 506.000,00 € |
| FILM LONDON LIMITED | The Film London Production Finance Market 2013 | 97.606,17€ |
| 3.1.1. MUSEO NAZIONALE DEL CINEMA-FONDAZIONE MARIA ADRIANA PROLO | TorinoFilmLab Meeting Event | 77.000,00€ |
| INTERNATIONAL DOCUMENTARY FESTIVAL SHEFFIELD LIMITED | MeetMarket 2013 | 137.927,87€ |
| CITIA | Marché International du Film d'Animation (MIFA) | 330.000,00 € |
| THESSALONIKI FILM FESTIVAL | Agora Film Market & Crossroads co-production Forum | 82.500,00€ |
| POOL PRODUCTION GmbH | Connecting Cottbus 2013 | 66.000,00€ |
| DOC SERVICES | Sunny Side of the Doc 2013 | 286.000,00€ |
| MTÜ BE | Baltic Event 2013 | 77.000,00€ |
| 3.1.2. FILMKONTAKT NORD, FONDEN FOR NORDISKE KORT OG DOKUMENTARFILM | Nordisk Panorama Event 2013 | 74.275,81€ |
| NATIONAL FILM CENTRE OF LATVIA | Baltic Sea Forum for Documentaries 2013 | 64.613,18€ |
| Power to the Pixel Ltd | The Pixel Market | 90.910,90€ |

| DEN NORSKE FILMFESTIVALEN AS | New Nordic Films including Nordic Co-Production and Film Financing Forum | 60.258,59€ |
|---|--|-------------|
| FONDEN DE KOBENHAVNSKE FILMFESTIVALER | CPH:FORUM + CPH:MARKET | 99.059,14€ |
| STICHTING INTERNATIONAL DOCUMENTARY FILMFESTIVAL AMSTERDAM - IDFA | The IDFA FORUM | 203.500,00€ |
| STICHTING CINEKID AMSTERDAM | Cinekid for Professionals | 220.000,00€ |
| LEIPZIGER DOK-FILMWOCHEN GMBH | DOK Leipzig : Industry Offers 2013 | 121.000,00€ |

4.2. Festivals

| Dates of publication | Budget 2013 |
|----------------------|---|
| September 2012 | See index 4.20 of the programming table |

Objective of the Call for Proposals

The objectives of the Festival scheme are:

- To facilitate and encourage the promotion and movement of European audiovisual and cinema works at trade shows, fairs and audiovisual festivals in Europe and around the globe, insofar as such events may play an important role in the promotion of European works and the networking of professionals;
- To improve access to European audiovisual works for the European and international public.

The MEDIA Programme encourages European audiovisual festivals taking place in countries participating in the MEDIA Programme which:

- Place strong emphasis on European works in particular, works from countries of low audiovisual production capacity,
- Place strong emphasis on non-national European programming and geographic diversity of nonnational European programming,
- Implement actions to secure non-national European professionals attendance,
- Develop actions to secure the presence of young audiences,
- Demonstrate progress in overall audience impact,
- Organize initiatives for media literacy (for example film education) in close cooperation with schools and other institutions, and
- Demonstrate a concrete, realistic and strategic development in artistic, organisational and financial terms.

Potential Beneficiaries

This call for proposals is aimed at audiovisual festivals taking place in MEDIA countries and presenting to the audience and the professionals a strong European programming.

Eligibility Criteria

<u>Eligible applicant</u>

Applicant must be European entities (private companies, non-profit organisations, associations, charities, foundations, municipalities/Town Councils, etc.), established in an eligible country and owned directly or by majority participation, by nationals from such countries or by participating countries. Natural persons may not apply for a grant.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia¹³ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible activities

- Audiovisual Festivals starting between 1st May 2013 and 30 April 2014.
- Audiovisual festivals taking place in countries participating in the MEDIA Programme.

A minimum of 70% of the eligible programming presented to the public during the festival must originate in countries participating in the MEDIA Programme. At least 10 of such countries must be represented in the programming.

<u>Eligible proposals</u>

To be eligible, the applications must:

- Be submitted using the official application forms,
- Include all the official forms, duly completed and signed by the applicant's legal representative,
- Be sent to the Agency by the relevant deadline (postmark will be taken as proof of timely sending),
- Include a signed, detailed, balanced and correctly calculated budget complying with all the conditions set out in this call for proposals, and
- Include all documents requested in the guidelines and application forms.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The organisations should prove their financial capacity to complete the proposed activities.
- The organisations should prove their technical capacity to complete the proposed activities.

¹³ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

Award Criteria:

| 1. The European dimension of the programming | 15% |
|--|-----|
| 2. Cultural and geographic diversity of the programming | 20% |
| 3. Quality and innovative nature of the programming | 10% |
| 4. Audience impact | 30% |
| 5. Impact on the promotion and circulation of European audiovisual works | 15% |
| 6. Film professionals' participation | 10% |

Expected results:

- Increased presentation of non-national European works.
- Increased audience impact.
- Increased promotion impact.
- Support for 90 Festival Projects.

The MEDIA contribution (grant) will be awarded by way of Decisions for beneficiaries from Member States and by way of annual agreements for other beneficiaries.

4.3. Stands

See Part C. "PROCUREMENT" below.

4.4. Organisation of "European Rendez-vous" – Cannes

See Part C. "PROCURMENT" below.

5 TECHNOLOGICAL DEVELOPMENT

5.1. Pilot Projects

| Dates of publication | Budget 2013 |
|----------------------|---|
| February 2013 | See index 5.10 of the programming table |

The final details of the Pilot Projects scheme are not established until after the meeting of the Technical Advisory Group provided for in Decision 1718/2006/EC (MEDIA 2007) at Article 7.2. These will be included in a future revision of this Work Programme.

6 **NEW ACTIONS**

6.1. Access to Finance

| Dates of publication | Budget 2013 |
|----------------------|---|
| N/A | See index 6.10 in the programming table |

The MEDIA Production Guarantee Fund is aimed at facilitating access to private sources of financing for SMEs and guaranteeing part of the loan granted by financial institutions to banks for film productions. The total amount concerned by this action is \in 8 million over the period 2010-2013 of the MEDIA 2007 Programme, subject to the availability of appropriations on the budget line 15.04.66.01.

Following a Call for Expressions of Interest published on 2/1/2010 and by way of Decision C(2010)6344 final of 21.09.2010, the Commission delegated the task to set up and implement on its behalf the MEDIA Production Guarantee Fund to the following third party

organisations (indirect centralised management according to Article 54(2)(c) of the Financial Regulation):

Institut pour le Financement du Cinéma et des Industries Culturelles - IFCIC (Paris, France);

Sociedad de Garantia reciproca para el Sector Audiovisual – SGR (Madrid, Spain).

In 2012, due to the awkward economic situation and the reluctance of banks to grant credits to film producers, the total amount of risk covered by SGR is lower than the total contribution already transferred by the EU since the creation of the Fund in 2010 (\notin 2 million). Therefore, the payment of the 3rd instalment (2012) to SGR is delayed, in accordance with the terms of the Delegation Agreement, and an action plan is being carried out to intensively communicate on the Fund towards banks and producers.

It is expected that SGR should be able to reach the contractual ceiling and that the 2012 amount will be committed entirely and paid by the end of this year. However, if the commitment for 2012 is finally not made and the \notin 1 million earmarked for SGR in 2012 is used by another MEDIA action line, the commitment appropriation available in 2013 should be increased to allow to cover SGR needs, which would be increased due to the non-payment of the third instalment. Such an increase may be carried out under Article 4 of this decision.

| Dates of publication | Budget 2013 |
|---|---|
| Call for proposals EACEA 6/2011 (OJ C121 of 19.04.2011) | See index 6.20 in the programming table |
| January 2013 | |

6.2 On line Distribution – (Video on Demand & Digital Cinema Distribution)

Objective of the Call for Proposals

The Video on Demand (VoD) and Digital Cinema Distribution (DCD) scheme constitutes one of the ways in which the MEDIA programme ensures that the latest technologies and trends are incorporated into the business practices of beneficiaries of the programme. Digital technologies have made European audiovisual works more easily accessible outside their country of origin thanks to new ways of transporting audiovisual content. The competitiveness of the audiovisual content industry in Europe will strongly depend on the use of these new technologies at the distribution stage.

The main objective of this scheme is to support the creation and exploitation of catalogues of European works to be distributed digitally across borders to a wider audience and/or to cinema exhibitors through advanced distribution services, integrating where necessary digital security systems in order to protect online content. This Call for Proposals encourages the European audiovisual industry to adapt to new developments in digital technology.

The Digital & On Line environment is a powerful but unforgiving environment. Competition for attention is severe and with hours of content being added every second, careful planning and execution is required to bring European content to the attention of the largest possible audience. Applicants will have to demonstrate they have understood the medium clearly and present a coherent catalogue, business plan and editorial strategy. They must have a well developed, appropriate and targeted marketing strategy capable of attaining the goals set out in their application.

Potential Beneficiaries:

The scheme is aimed at rights holders of European audiovisual works (i.e. independent European production and distribution companies), cinema networks and European operators making European content available.

Rights holders are encouraged to form consortia and platforms providing end-users with access to a significant number of European audiovisual works.

Eligibility Criteria:

Eligible applicants

European organisations registered in an eligible country, which have as their main activity audiovisual production, distribution, exhibition and aggregation. These organisations must be owned directly or by majority participation (i.e. majority of shares), by nationals from eligible countries, and continues to be owned, whether directly or by majority participation, by nationals from these countries.

Broadcasters and telecommunication companies (i.e. companies having as one of their main activities broadcasting and/or telecommunication activities) are not eligible, neither as an applicant, nor as a cobeneficiary for the purposes of this Call for Proposals.

Any applicant or group of applicants must not have majority control (either in shareholding or commercial terms) by a broadcaster and/or a telecommunications company.

Majority control is considered to occur when more than 25% of the company's share capital is held by a single broadcaster or telecommunications company (50% when several broadcasters or telecommunications companies are involved) or when, over a three-year period, more than 90% of the company's revenue is generated in co-operation with a single broadcaster or telecommunications company.

The Agency reserves the right to apply this criterion by taking into account the specific characteristics of the different audiovisual and/or legal systems of the Member States and other participating countries.

Applicant companies have to give proof of their legal status.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

Member States of the European Union.

Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).

Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC (Switzerland, Croatia¹⁴ and Bosnia and Herzegovina under the condition of the finalization of the negotiation process and the formalization of the participation of this country to the MEDIA programme).

Eligible actions

Minimum European dimension

Proposed projects will have to offer a European dimension, which means that the offered content must include audiovisual works from at least five eligible countries representing at least five different eligible languages (the official languages of the European Union, Norwegian, Icelandic and Croatian). No more than 40% of the content (in programme hours) may come from a single territory. This criterion must be fulfilled at the start, and for the duration of the action.

Eligible content

For the purposes of this Call for Proposals there are two types of Eligible Content i.e. *Core Content* and *Alternative Content* :

¹⁴ Council Decision 2008/119/EC of 12 February 2008 on the principles, priorities and conditions contained in the Accession Partnership with Croatia and repealing Decision 2006/145/EC (OJ L 042 of 16.02.2008). The accession Treaty signed with Croatia provides that Croatia will become a Member State as of 1 July 2013.

Core Content, i.e. fiction, animation and creative documentary (according to the MEDIA Programme's objectives), including feature films (i.e. feature length films), TV films or series and short films

Alternative Content (making of's, operas, concerts, performances...)

The following programmes will <u>not</u> be considered as eligible content: flow programming (news programmes, current affairs, reportages, "how-to" documentaries, DIY, talk shows, cooking lessons, sports events...), commercials, programmes promoting tourism. Audiovisual works consisting of advertising, pornographic, racist material or advocating violence are not eligible for support.

Potential beneficiaries should have an adequate balance between the two in any Video on Demand (VoD) proposal. In order for a VoD proposal to be eligible, the content of the VoD catalogue must consist of at least 60% of Core Content.

In Digital Cinema Distribution (DCD) proposals, only Core Content will be considered as eligible.

The content must be European. No restrictions concerning the year of copyright apply.

- The work must be majority produced by companies established in one or more eligible countries; and
- The work must be produced with the significant participation of professionals who are nationals/residents of eligible countries. 'Significant participation' is defined as having 10 or more points on the basis of the table below, (or the biggest share of points if the total is less than 19 in the case of documentaries or animation films):

| + | Points |
|-------------------------------------|--------|
| Director | 3 |
| Scriptwriter | 3 |
| Composer | 1 |
| Actor 1 | 2 |
| Actor 2 | 2 |
| Actor 3 | 2 |
| Artistic Director/Production Design | 1 |
| Director of Photography | 1 |
| Editor | 1 |
| Sound | 1 |
| Shooting location | 1 |
| Laboratory | 1 |
| Total | 19 |

(+):European nationality of the involved staff.

<u>Eligible activities</u>

2 types of services are eligible:

<u>Video on Demand</u> (Business to Consumers-"B2C")

• Video on Demand (VoD): Service enabling individuals to select audiovisual works from a central server for viewing on a remote screen by streaming and/or downloading. N.B. B2B projects do not correspond to an eligible activity for support to Video on Demand.

Digital Cinema Distribution (Business to Business-B2B)

• Digital Cinema Distribution (DCD): Digital delivery (to an acceptable commercial standard) of "core content" to cinemas for theatrical exploitation (via hard disc, satellite, online...).

Eligible proposals

Only those applications using the official forms, duly completed and with the original signatures required which are received within the specified period will be eligible.

Selection Criteria

Only the proposals fulfilling the following conditions will be given further consideration:

- Applicant companies must provide proof of their financial capacity to realise the project;
- Applicant companies must provide proof of their operational capacity to realise the project.

Award Criteria

| Award Criteria | Scoring |
|---|------------|
| Catalogue and Editorial line Will be taken into account the extent and scope of the programmes in the catalogue and the editorial line of the catalogue. | 10% |
| Extent and scope of the programmes in the catalogueEditorial Line/Policy | 5% 5% |
| European dimension of the catalogue Will be taken into account: Cross-border & Cross-language Distribution and the content from countries with a low production capacity. | 20% |
| Cross-border & language Distribution - Inward & Outward Distribution of content from countries with a low production capacity | 10% 10% |
| Quality and cost-effectiveness of the Business Model submitted Will be taken into account: the quality of the Business Model, the Cost-Effectiveness and the quality of the Marketing Plan. | 20% |
| Quality of the Business ModelCost-Effectiveness of the submitted project | 10% 10% |
| Marketing Strategy Will be taken into account the overall concept, techniques and tools deployed (e.g. Web | 20% |

| 2.0 etc.) and the appropriate nature of the plan measured against the expected results. | |
|---|------------|
| Quality of the Marketing Plan Coherence of the Marketing Plan with the Catalogue, Editorial Line/policy and the marketing plan | 10% 10% |
| Innovative aspects of the action Will be taken into account: the new ideas and solutions presented in the action plan. | 10% |
| Grouping and Networking Dimension Will be taken into account: the extent of the partnership and the exchange of knowledge within the partnership. | 10% |
| • Number of partners and impact of their contribution to the overall catalogue | 5% |
| • Exchange of commercial knowledge within the partnership | 5% |
| Target audience and Potential impact Will be taken into account: the size of the targeted audience and the number of countries targeted. | 10% |
| • Size of the potential audience | 5% |
| • Number of territories with an effective marketing strategy | 5% |

Expected Results

It is expected that the projects selected for funding will contribute to the development of new methods of distributing European films and (based on the use of new information and telecommunications technologies) assist the sector to reach the widest possible audience. In addition by acting as a "choice liberator" the introduction of widespread VoD and DCD services offering a range of European films will enable the audience to access a wider range of films from participating countries thus contributing to the cultural diversity of the available offers on the market.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

In addition Specific grants will be awarded in 2013 to support the third year of activities (of a maximum of three) of the 2 following partners selected under the Call for Proposals EACEA 6/2011 (OJ C121 of 19.04.2011).

| Company Name | Project title | Maximum MEDIA contribution |
|--|---|----------------------------|
| Daazo Film- és Médiaszolgáltató Kft | Dazoo.com - the European Short Film Centre | 132,778.00€ |
| Doc-Air os | Doc Alliance Films | 169,400.00 € |

C. **PROCUREMENT**

4.3. Stands

| Dates of publication | Budget 2013 |
|---|---|
| November 2008 – Call for tender EACEA 3/2008 | See index 4.30 in the programming table |
| January 2013 | |

Call for Tender EACEA 03/2008 for the provision of stands services and promotional activities at the major audiovisual markets resulted in a framework contract awarded on the 29 April 2009. Promotional activities including four separate specific contracts within the framework will be awarded in 2012 for stands at the Berlin Film Market, MIPTV, Cannes Film Festival and the MIPCOM.

Furthermore, publication of a new call for tender for the selection of a new framework contractor for the organization of promotional activities and events, including stands at major audiovisual markets and festivals for the period 2014-2018.

4.4. Organisation of "European Rendez-Vous" - Cannes

| Dates of publication | Budget 2013 |
|----------------------|---|
| April 2012 | See index 4.40 in the programming table |

The «Rendez-Vous Européen » is a major event organised annually in the context of the Cannes International Film Festival, providing the Commission with a unique opportunity to promote its audiovisual policy and the MEDIA Programme among professionals from Europe and the world.

During this event the Commissioner for Education, Culture, Multilingualism and Youth meets with prominent European film directors and attends a conference destined to the professionals of the audiovisual industry in Europe, at the same time this event will help in improving the European and international public's access to European audiovisual with other communication and promotion activities with high-visibility to the public.

D. CONTRIBUTIONS TO BODIES WITHIN THE MEANING OF ARTICLE 54.2(C) OF THE FINANCIAL REGULATION¹⁵ AND TO BODIES OF WHICH THE EU IS MEMBER

7.1. Financial contribution to the MEDIA Desks/Antennae

With respect to the interventions which correspond to the following line of the programming table 7.1 - (*see index 7.10*).

The Decision on the implementation of the MEDIA 2007 programme (Article 12) and in particular the annexes to this Decision indicate that "the Commission, acting directly in concert with the Member States, shall establish a European network of MEDIA Desks and MEDIA Antennae, which will operate as an implementing body at national level in accordance with Article 54(2) (c) and (3) of Regulation (EC, Euratom) N° 1605/2002".

Objectives of co-financing

The credits available will be used as follows:

- Informing professionals in the audiovisual sector about the various types of aid available under European Union policies.
- Publishing and promoting the programme.

¹⁵

Action 6.1 will also be implemented through indirect centralised management

- Encouraging the greatest possible participation by professionals in the programme's activities.
- Helping professionals to present their projects in response to calls for proposals.
- Encouraging cross-border cooperation between professionals, institutions and networks.
- Supporting the Commission in liaising with the various support bodies in the Member States in order to ensure that the programme's activities complement national support measures.
- Making data on notional audiovisual markets available to interested parties.

Designated Beneficiaries

MEDIA Desks: (32)

The MEDIA Desks of the following countries:

Austria

Belgium FR

Belgium NL

Bulgaria

Croatia

Cyprus

Czech Republic

Denmark

Estonia

Finland

France

Germany

Greece

Hungary

Iceland

Ireland

Italy

Latvia

Lithuania

Luxembourg

Malta

Norway

Poland

Portugal

Romania

Slovakia

Slovenia

Spain

Sweden

Switzerland

The Netherlands

United Kingdom

and

MEDIA Antennae: (12)

The MEDIA Antennae of the following cities:

München (DE)

Düsseldorf (DE)

Berlin (DE)

Barcelona (ES)

Sevilla (ES)

San Sebastien (ES)

Strasbourg (FR)

Marseille (FR)

Galway (IE)

Torino (IT)

Glasgow (UK)

Cardiff (UK),

Were selected by agreement between the member countries and the Commission. The contractors are the Ministries of Culture, institutions (Cinema Institutes) or professional organisations/associations. At least 50% of the co-financing notwithstanding the MEDIA 2007 budget comes from other public sources (Ministries or Regions).

Amount and maximum rate of European Union co-financing

The MEDIA Desks and Antennae in all the member countries of the MEDIA Programme will be financed in 2013 with a maximum European Union contribution of 50% for a total amount of \notin 3,844.325.

Expected Results

- Greater transparency of the programme (information/dissemination of results etc).
- More information for industry professionals.
- Greater participation from each Member State.
- Meaningful coordination between producers from different countries (coproduction).

7.2. European Audiovisual Observatory (EAO)

With respect to the interventions which correspond to the following line of the programming table 7.2 - (*see index 7.20*).

The Decision on the implementation of the MEDIA 2007 programme (Article 17) and in particular the annexes to this Decision indicate that "the programme provides the legal basis for the expenditure necessary to monitor European Union audiovisual policy measures. It provides for the European Union to continue participating in the Observatory".

As all members of the European Audiovisual Observatory (EAO), the European Union contributes to its operating costs through an annual membership fee (art. 108.2(d) of the Financial Regulation).

Indicative amount rate of European Union co-financing

The European Union will contribute to the budget of the European Audiovisual Observatory in 2013 with an indicative amount of \notin 250,000.

Expected Results

Increased transparency and dissemination of information concerning the European audiovisual market can make operators in the sector, and especially SMEs, more competitive. This should encourage private investors' confidence by improving understanding of the industry's potential. This also makes it easier for European Union action to be evaluated and followed up. Participation by the European Union in the European Audiovisual Observatory should help it to achieve these aims.

PROGRAMMING TABLEFOR 2013 Budget Line 15 04 66 01 Title: MEDIA 2007 **EUR-27** EFTA/EEA C4/C5* THIRD Total COUNTRIES 108.109.000 3.027.052 1.300.005 118,797,000 Committment appropriations 6.360.943 Grant Indicative / Average Mode of Maximum rate Agreement / WPI (***) Strands / Actions Budget planned number contribution / Publications of calls Implmentation of cofinancing Grant Decision of contracts intervention (****) 1. Training 1.10 1.1. Initial Training 2.000.000 CFP-EA 14 142.857 75% feb-11 AGR 1.20 1.2. Continuous Training 7.000.000 CFP-EA 60 116.667 60% feb-12 AGR/DEC 2. DEVELOPEMENT 39.474 2.1 Support for Single Projects 7.500.000 CFP-EA 190 60% AGR/DEC 2.10 Sep-12 143.333 50% 2.2 Support for Slate Funding 10.750.000 CFP-EA 75 Sep-12 AGR/DEC 2.20 125.000 2.3 Support for Interactive Works 2.500.000 CFP-EA 20 60% AGR/DEC 2.30 Sep-12 2.4 Initiative i2i 1.500.000 CFP-EA 40 37.500 60% Oct-12 AGR 2.40 3. DISTRIBUTION 27.222 3.10 3.1 Distribution Cinema Selective 12.250.000 CFP-EA 450 50% Sep-12 AGR/DEC 10.800.000 CFP-EA 154.286 2.0% 3.20 3.2 TV Broadcasting 70 Sep-12 AGR 10.800.000 3.3 Cinema Network 10.800.000 CFP-EA 60% may-12 AGR 3.30 1 40.885 60% 3.40 3.4 Distribution Cinema Automatic 20.442.675 CFP-EA 500 april-11, feb-12 & dec-12 AGR 30.000 50% 3.50 3.5 Sales Agents 1.500.000 CFP-EA 50 april-11, april-12 & feb-13 AGR 3.60 3.6. Digitisation of Cinemas 4.000.000 CFP-EA 200 20.000 60% may-12 & jan-13 AGR/DEC 4. PROMOTION 7.810.000 156.200 50% 4.1 Market Access (including Promotion outside MEDIA countries) CFP-EA 50 april-11; nov-11 & sept-12 AGR/DEC 4.10 4.2 Festivals 3.500.000 CFP-EA 90 38.889 50% AGR/DEC 4.20 Sep-12 433.333 4.3 Stands 2.600.000 PP-EA 100% no-08 & jan-13 4.30 6 na 4.4 "European Rendez-vous" - Cannes 250.000 250.000 100% PP 4.40 1 na na 5. TECHNOLOGICAL DEVELOPMENT 5.1 Pilot Projects 1.500.000 CFP-EA 5 300.000 50% feb-13 AGR 5.10 6. NEW ACTIONS 1.000.000 100% Art.54.(2) FR 6.10 6.1 Access to Finance 2.000.000 2 Jan-10 na 400.000 50% 6.20 6.2 On Line Distribution 6.000.000 CFP-EA 15 april-11 & janv-13 AGR 7. ACTIONS FOR THE SECTEOR 7.10 7.1 MEDIA Desks 3.844.325 Art.54.(2) FR 44 87.371 50% na AGR/DEC 250.000 50% 7.20 7.2 European Audiovisual Observatory 250.000 CONTR 1 na na Total 118.797.000 1.884 (*) Estimate (**) Pursuant to Article 83 of the Financial Regulation, the appropriations may also finance the payment of default interest (***) WPI: Work Programme Index (****) AGR - Grant covered by a written agreement / DEC - Grants covered by a decision CFP: Grant awarded with a call for Proposals CFP-EA: Actions implemented by the Executive Agency EACEA PP-EA PP: Public Procurement Contributions paid by the EU as subscriptions to bodies of which they are members - Art. 108.2(d) FR CONTR: not applicable na

