

CREATIVE EUROPE

MEDIA Sub-programme

SUPPORT FOR THE TRANSNATIONAL DISTRIBUTION OF EUROPEAN FILMS

THE "SELECTIVE SCHEME"

GUIDELINES

TABLE OF CONTENTS

1. INTRODUCTION - BACKGROUND

2. OBJECTIVES - THEMES - PRIORITIES

2.1. *Objectives*

2.2. Targeted Projects

3. TIMETABLE

4. BUDGET AVAILABLE

5. ADMISSIBILITY REQUIREMENTS

6. ELIGIBILITY CRITERIA

- 6.1. Eligible applicants
- 6.2. *Eligible activities*

7. EXCLUSION CRITERIA

- 7.1. Exclusion from participation
- 7.2. Exclusion from award
- 7.3. Supporting documents

8. SELECTION CRITERIA

- 8.1. Financial capacity
- 8.2. *Operational capacity*

9. AWARD CRITERIA

10. LEGAL COMMITMENTS

11. FINANCIAL PROVISIONS

- 11.1. General Principles
- 11.2. Funding forms
- *11.3. Payment arrangements*
- 11.4. Pre-financing guarantee

12. PUBLICITY

- *12.1.* By the beneficiaries
- 12.2. By the Agency and/or the Commission
- 12.3. Communication and dissemination

13. DATA PROTECTION

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

- 14.1. Publication
- 14.2. Registration in the Participant Portal
- *14.3. Submission of the grant application*
- *14.4. Evaluation procedure*
- 14.5. Award decision
- 14.6. Rules applicable
- 14.7. Contacts

Annexes:

All the annexes are available on the EACEA/MEDIA website: http://eacea.ec.europa.eu/creative-europe/actions/media_en

1. INTRODUCTION – BACKGROUND

These guidelines are based on Regulation No 1295/2013 of the European Parliament and of the Council of 11/12/2013 concerning the implementation of a programme of support for the European cultural and creative sector (CREATIVE EUROPE)¹ and its corrigendum of $27/06/2014^2$.

The European Commission is responsible for the implementation of the Creative Europe Programme and for the decision to grant individual European Union funds. The Education, Audiovisual and Culture Executive Agency hereafter "the Agency" manages the Culture and MEDIA Sub-programme on behalf and under the supervision of the European Commission.

General background information about the Creative Europe programme can be found on the following link: <u>http://ec.europa.eu/programmes/creative-europe/</u>

2. **OBJECTIVES – THEMES – PRIORITIES**

2.1. Objectives

Within the specific objective of promoting transnational circulation, one of the priorities of the MEDIA Sub-programme shall be the following:

• supporting theatrical distribution through transnational marketing, branding, distribution and exhibition of audiovisual works.

The MEDIA Sub-programme shall provide support for the following:

• establishing systems of support for the distribution of non-national European films through theatrical distribution and on all other platforms as well as for international sales activities; in particular the subtitling, dubbing and audio-description of audiovisual works.

2.2. Targeted projects

The aim of the "Selective 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 and the competitiveness of European companies.

These guidelines are aimed at European companies whose activities contribute to the realisation of the above objectives, and in particular at cinema distribution companies.

¹ Published in the Official Journal of the European Union on 20/12/2013 (OJ L347/221).

² Published in the Official Journal of the European Union on 27/06/2014 (OJ L 189/260)

3. TIMETABLE

	Stages	Date or indicative period September 2015				
a)	Publication of the call					
b)	Deadline for submitting applications	Tuesday 1st December 2015 , 12:00 (noon, Brussels Time)	Tuesday 14th June 2016 , 12:00 (noon, Brussels Time)			
c)	Evaluation period	December 2015 – March 2016	July - October 2016			
d)	Information to applicants	April 2016	November 2016			
e)	Signature of grant agreement or notification of grant decision	May 2016	December 2016			
f)	Starting date of the action (first release of the film)	The film can be released from the date of submission, and at the earliest on 1 st October 2015.	The film can be released from the date of submission, and at the earliest on 14th April 2016.			
g)	Max. duration of the action	From date of the application until	18 months after the deadline.			

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects is estimated at EUR 9M.

This budget is subject to the availability of the funds after the adoption of the budget for 2016 by the budgetary authority.

The EU financial contribution will take the form of a lump sum.

Approximately 25% of the budget will be allocated to films with a production budget below EUR 3M.

The Agency reserves the right not to distribute all the funds available.

5. ADMISSIBILITY REQUIREMENTS

Applications shall comply with the following requirements:

- they must be sent no later than the deadline for submitting applications referred to in section 3 of the present guidelines.
- they must be submitted using the online application form (see section 14 of the present guidelines).
- they must be drafted in one of the EU official languages, preferably in English or French.

Failure to comply with those requirements will lead to the rejection of the application.

In order to submit an application, applicants and partners must provide their Participant Identification Code (PIC) in the application form. The PIC can be obtained by registering the organisation in the Unique Registration Facility (URF) hosted in the Education, Audiovisual, Culture, Citizenship and Volunteering Participant Portal. The Unique Registration Facility is a tool shared by other services of the European Commission. If an applicant or partner already has a PIC that has been used for other programmes (for example the Research programmes), the same PIC is valid for the present call for proposals.

The Participant Portal allows applicants and partners, to upload or update the information related to their legal status and attach the requested legal and financial documents (see section 14.2 for more information).

6. ELIGIBILITY CRITERIA

Applications which comply with the following criteria will be subject of an in-depth evaluation.

6.1. Eligible applicants

Applicants shall be European Cinema/Theatrical distribution companies.

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 SUB-Programme and registered in one of these countries.

Applications from legal entities established in one of the following countries are eligible as long as all conditions referred to in Article 8 of the Regulation establishing the Creative Europe Programme are met:

- EU Member States;
- Acceding countries, candidate countries and potential candidates benefiting from a preaccession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in European Union programmes established in the respective Framework Agreements, Association Council Decisions or similar agreements;
- EFTA countries which are members of the EEA, in accordance with the provisions of the EEA Agreement;
- The Swiss Confederation, on the basis of a bilateral agreement to be concluded with that country;
- Countries covered by the European Neighbourhood Policy in accordance with the procedures established with those countries following the framework agreements providing for their participation in European Union programmes.

The Programme shall also be open for bilateral or multilateral cooperation actions targeted at selected countries or regions on the basis of additional appropriations paid by, and specific arrangements to be agreed upon with, those countries or regions.

The Programme shall permit cooperation and joint actions with countries not participating in the Programme and with international organisations which are active in the cultural and creative sectors

such as UNESCO, the Council of Europe, the Organisation for Economic Cooperation and Development or the World Intellectual Property Organisation on the basis of joint contributions for the realisation of the Programme's objectives.

The Agency may select proposals from applicants in non EU countries, provided that, on the date of the award decision, agreements have been signed setting out the arrangements for the participation of those countries in the programme established by the Regulation referred to above.

(Updated list of countries that fulfil the conditions referred to in Article 8 of the Regulation and that the Commission has started negotiations with can be found on the following link:

http://eacea.ec.europa.eu/creative-europe/library/eligibility-organisations-non-eu-countries_en

For the implementation of the MEDIA sub-programme, and unless otherwise specified in the text below:

- the following countries are considered as countries with a low audiovisual production capacity: Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Greece, Hungary, Ireland, Iceland, Latvia, Lithuania, Luxembourg, Malta, Norway, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden, and any other countries fulfilling the conditions set out above (Eligible countries).

- the following countries are considered as high production capacity countries: France, Germany, Italy, Spain, and United Kingdom.

Cinema / theatrical distributor:

A cinema / theatrical distributor is involved in commercial activity designed to bring to the attention of a wide audience a film for the purpose of exploitation in cinema theatres. This shall be the principal activity of the company or division of the company. Such activity shall 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 is supported as long as it is of a minimum quality (=1.3K). 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.

A cinema / theatrical distributor must fulfil the following criteria:

- 1. be the holder of the theatrical distribution rights for the film in the country concerned;
- 2. carry out the theatrical distribution of the film in the country (determines the release date, plans, controls and executes the distribution and promotion campaign);
- 3. pay directly the associated distribution costs; and
- 4. be registered and have theatrical distribution operations (i.e. operating staff) in the country for which a grant is requested.³

Limited sub-contracting, including booking and billing, is allowed, provided that:

³ This requirement is waived for the following countries as they are linked for distribution purpose: Belgium and Luxembourg; Greece and Cyprus; United Kingdom and Ireland.

- it has been disclosed to the Agency,
- it is substantiated by receipted invoices,
- it complies with the sub-contracting rule set out in section 11.1.e.

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 consider as compliant the company which meets all the criteria and actually executes the distribution of the film in the country in line with the above conditions. The decision of the Agency will be final.

Physical distributors shall not be eligible for support.

6.2 Eligible activities

The activities to be funded are campaigns for the distribution of non-national European films, submitted as part of an eligible grouping of minimum 7 eligible distributors coordinated by the sales agent of the film.

Eligible Film:

The film must comply with the following criteria:

- it must be a work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes.
- it must have its first copyright established in 2013 at the earliest.
- it must not consist of alternative content (operas, concerts, performances, etc.), advertising, pornographic or racist material or advocate violence.
- Films from UK, FR, ES, IT and DE must have a production budget of maximum EUR 10M⁴
- it must be majority produced by a producer or producers established in the countries participating in the MEDIA Sub-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.
- it must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA Sub-programme. (see section 6.1).
 '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):

⁴ The monthly rate applicable at the time of submission must be used

	Points			
Director	3			
Scriptwriter	3			
Composer	1			
Actor 1 ⁵	2			
Actor 2	2			
Actor 3	2			
Production Design	1			
Director of Photography	1			
Editor	1			
Sound	1			
Shooting location	1			
Post Production location	1			
Total	19			

In order to verify the eligibility of the films, coordinators must provide a copy of the film (DVD or any other format) for which support is sought. Failure to do so, may lead to the ineligibility of the proposal.

National / Non-national European film:

Countries participating in the Media sub-programme are defined under section 6.1.

European films will be considered as "national" in that country participating in the MEDIA Subprogramme whose nationals/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 countries.

In the event of a tie (i.e. where the points are equal for a given nationality) the nationality of the director (or the following talent in the above list) shall be decisive.

Eligible grouping

All groupings must have a coordinator who is responsible for submitting the "Film/Group Form" and include at least seven eligible applications from different eligible distributors operating in different countries.

The Selective scheme cannot be cumulated with reinvestment in distribution costs (Module 3) under the MEDIA Sub-programme Automatic support scheme 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 the applicant has been officially informed that the first application under the other scheme has been unsuccessful.

The distribution agreements shall not have any contractual conditions which would lead to the European Union grant being considered as revenue for the film, or change the terms and conditions of payments,

⁵ Actors will only be counted for the qualification of live action feature films

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 shall 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.

The theatrical release of the film (not including previews or special screenings) shall take place in the country concerned at the earliest on the same day as the date of submission and within 18 months after the relevant deadline for submission.

However, if after the signing of the Grant Agreement/Decision and the start of the action it becomes impossible for the beneficiary, for fully justified reasons beyond their control, to complete the action within the scheduled period, an extension to the period of release may be granted. A maximum extension of 6 additional months to the latest release date may be granted if requested before the deadline specified in the Grant Agreement/Decision. The maximum duration will then be 24 months.

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

7. EXCLUSION CRITERIA

7.1. Exclusion from participation

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
- (c) they have been guilty of grave professional misconduct proven by any means which the responsible authorising officer can justify including by decisions of the EIB and international organisations;
- (d) they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the responsible authorising officer or those of the country where the grant agreement is to be performed;
- (e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such illegal activity is detrimental to the Union' financial interests;
- (f) they are currently subject to an administrative penalty referred to in Article 109(1) of the Financial Regulation.

7.2. Exclusion from award

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- (a) are subject to a conflict of interests.
- (b) are guilty of misrepresentation in supplying the information required by the Agency as a condition of participation in the grant award procedure, or fail to supply this information.
- (c) find themselves in one of the situations of exclusion referred to in the above section 7.1.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation or are found to have seriously failed to meet their contractual obligations under a previous grant award procedure.

7.3. Supporting documents

Applicants for a grant exceeding EUR 60.000 must sign a declaration on their honour certifying that they are not in one of the situations referred to in the above sections 7.1. and 7.2, filling in the relevant form attach to the application form accompanying the call for proposals and available at https://eacea.ec.europa.eu/creative-europe/funding/distribution-selective-scheme-support-for-transnational-distribution-european-films-2016_en.

8. SELECTION CRITERIA

Applicants must submit a declaration on their honour, completed and signed, attesting to their status as a legal person and to their financial and operational capacity to complete the proposed activities.

8.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:

- a) Low value grants (\leq EUR 60 000):
- a declaration on their honour.
- b) Grants > EUR 60 000:
- a declaration on their honour

- the financial statements (including the balance sheet, the profit and loss accounts and the annexes) of the last two financial years for which the accounts have been closed

- financial capacity form provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

On the basis of the documents submitted, if the Agency considers that financial capacity is not satisfactory, he may:

- request further information;
- propose a grant agreement without pre-financing;

- propose a grant agreement with a pre-financing covered by a bank guarantee (see section 11.4 below);
- propose a grant agreement without pre-financing but an interim payment based on expenses already occurred;
- reject the application.

8.2 Operational capacity

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action. In this respect, applicants have to submit a declaration on their honour, and, for those applying for a grant above EUR 60.000 the following supporting documents:

- the curriculum vitae of the legal representative of the company and
- the curriculum vitae of the Head of Distribution (if they are not the same person).

The documents and forms required under section 8.1 and 8.2 should be provided at least once per year for the Cinema Selective, the Cinema Automatic and the Sales Agents schemes.

9. AWARD CRITERIA

Eligible applications will be assessed on the basis of the following criteria:

The groupings will be grouped into 2 categories:

- Small film category: groupings presenting a film with a production budget below $3M \in {}^6$

- **Medium film category**: groupings presenting a film with a production budget equal to or above 3M€ (up to 10M€ for films from DE, FR, ES, IT and UK).

Within the limits of the budgetary resources available and in line with the budget allocation for each category, the groupings of distributors which score the highest number of points in each category, on the basis of the following criteria, will be selected:

Number of eligible distributors in the grouping (minimum 7)	1 point per eligible distributor
Number of eligible distributors that have generated a potential fund under the last Automatic Distribution Call for Proposals.	1 additional point per eligible distributor
Film produced in a country participating in the MEDIA Sub-programme, with the exception of DE, ES, FR, IT and UK	2 points

In case of ex-aequo, the number of eligible distributors in the grouping will be taken into account. Only the eligible applications are taken into account in the calculation of the award criteria.

⁶ The monthly rates applicable at the date of publication must be used

Under each session, the grouping that presents the live-action children's film with the highest score will be selected, regardless the ranking of applications in the entire selection process.

To qualify for this measure, the film must comply with the following criteria:

- the target audience must be 12 years-old or under;

- the film must be a live-action fiction feature;
- the film must be primarily focused on children, excluding family entertainment;

- a justified request must be submitted by the coordinator (target audience, theme of the film, details of the specific campaign towards children, presentation in a children festival, etc.).

The qualification as live-action children film will be decided by the Evaluation Committee on the basis of the information and material provided by the coordinator.

10. LEGAL COMMITMENTS

In the event of a grant awarded by the Agency, a grant agreement or a grant decision drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.

- Agreement (in case of beneficiaries established outside the European Union): The 2 copies of the original agreement must be signed first by the beneficiary and returned to the Agency immediately. The Agency will sign them last.
- Decision (in case of beneficiaries established within the European Union): The grant decision must not be returned to the Agency. The general conditions applicable to the decision are available in the 'Documents register' of the Agency website (Calls for proposals II.b) <u>https://eacea.ec.europa.eu/about-eacea/document-register_en#calls</u>

As regards grant decisions, beneficiaries understand that:

Submission of a grant application implies acceptance of these General Conditions. These General Conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the grant decision.

The award of a grant does not establish an entitlement for subsequent years.

11. FINANCIAL PROVISIONS

11.1. General Principles

a) <u>Non-cumulative award</u>

An action may only receive one grant from the EU budget.

In no circumstances shall the same costs be financed twice by the European Union budget. To ensure this, applicants shall indicate in the application form the sources and amounts of European Union funding received or applied for the same action or part of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action.

Subsidised actions may not benefit from Eurimages funding for the same activity (Eurimages i.e. European cinema support from the Council of Europe).

b) <u>Non-retroactivity</u>

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate the need to start the action before the grant agreement is signed or the grant decision is notified. In such cases, costs eligible for financing must be incurred during the period of eligibility set out in section 3.

c) <u>Co-financing</u>

Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant.

Co-financing of the action may take the form of:

- the beneficiary's own resources;
- income generated by the action;
- financial contributions from third parties.
- d) Balanced budget

The estimated budget of the action is part of the application form. It must have revenue and expenditure in balance. The budget must be drawn up in euros.

The estimated budget will reflect, in the "revenue part" and in the "expenditure part", the requested EU grant corresponding to the accepted lump sum.

The budget must be drawn up in euros.

e) Implementation contracts/subcontracting

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive $2004/18/EC^7$ or contracting entities in the meaning of Directive $2004/17/EC^8$ shall abide by the applicable national public procurement rules.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action as described in the proposal and which cannot be performed by the beneficiary itself must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action.

- it must be justified having regard to the nature of the action and what is necessary for its implementation;

⁷ Directive 2004/18/EC on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.

⁸ Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

f) Financial support to third parties

The applications may not envisage provision of financial support to third parties

g) Special condition applying to the MEDIA Sub-programme

Any support from the MEDIA Sub-programme shall remain the exclusive property of the beneficiary and cannot be considered as revenue for the film. There cannot be any contractual conditions or other agreements which 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. Distribution agreements cannot have any conditional clauses linked to the award of the subsidy. Union Law and the general conditions of any eventual grant agreement or grant decision offered to a distributor clearly lay down the fact that the European Union Contribution (grant) "shall be used by the Beneficiary solely, exclusively and directly in discharging eligible expenses incurred".

11.2 Funding forms

The EU grant takes the form of lump sums and is based on the size of the release in each specific country, by way of Commission decision.

> Maximum amount requested

A lump sum is set according to the country and the size of the release that is quantified on the basis of the maximum <u>number of screens</u> covered at the widest point of release:

	Countries	A (1-2) screens	B (3-7) screens	C (8+) screens	D (15+) screens	E (25+) screens	F (40+) screens	G (60+) screens	H (100+) screens	I (200+) screens
1	Bulgaria, Estonia, Croatia, Ireland, Iceland, Lithuania, Luxembourg, Latvia, Romania, Slovenia, Slovakia, other countries ⁹ .	3.000€	5.300€				8.700€			
2	Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden.	4.500€	8.800€	15.500€	21.300€		31.600€			
3	Austria, Belgium, Poland, (Switzerland), The Netherlands.	4.800€	8.500€	14.200€	22.300€	33.700€	59.100€			
4	France, Germany, Italy, Spain, United Kingdom	2.800€	13.200€	22.800€	35.700€	45.700€	64.400€	99.600€	125.000€	150.000€

⁹ See section 6.1

The grant calculator shows the maximum amount of grant that may be requested in relation to the forecast number of screens at the widest point of release. The grant calculator indicates amounts in euros.

The widest point of release is the week where the most screens are reached. To be taken into account, the screens must show the film **minimum 5 times** during the week declared, as part of a commercial release that is advertised as such in the cinemas' listings and where a normal ticket price is paid. Special events are excluded. A maximum of one screen per cinema can be declared.

Where more than one commercial release is made in a territory with different language zones, separate reports for each release can be submitted. Results will be combined for the calculation of the lump sum.

In the case of distribution in UK+IE, BE+LU, and GR+CY, the number of screens in both territories will be combined and the lump sum will be calculated on the basis of the larger territory of distribution.

The grant amount may not exceed the amount requested. Amounts are indicated in euros.

Acceptance of an application by the Executive Agency does not constitute an undertaking to award a grant equal to the amount requested by the beneficiary.

Small grants & consolidation.

All those awards per film and country which are equal to or less than $60.000 \in$ are considered to be small grants.

As a simplification and adaptation of the administrative modalities of issuing grant agreements and grant decisions, a consolidated grant agreement/decision can be issued in the case of multiple small awards for a single beneficiary. The consolidated agreement/decision will contain the small grants for each beneficiary granted at the same deadline and for the same country. The list of awarded projects will be enclosed with the grant agreement/decision (annex I) and no modification to this list will be possible. In case a film is not released, the related granted amount will be reduced accordingly.

> Calculation of the final grant amount

The final amount of the grant to be awarded to the beneficiary is established after completion of the action, upon:

- approval of a payment request accompanied by a final report providing details of the implementation and results of the action;

- verification of the implementation of the activities and/or of the production of the deliverables planned in the application.

The Agency will consider the number of screens that have shown the film at least 5 times during the week declared in order to determine the final grant.

Documents to be submitted for lump sum financing with the final payment request:

- Final report on the implementation of the action,
- the Royalty Statement

EACEA will request evidence such as box-office reports, cinema invoices or cinema listings, on a sample basis, in order to substantiate the declaration of the distributors. It is advised that distributors have this evidence available in case of verification.

The verification of the implementation of the action will be focused on the number of screens actually reached. In the event of non-execution or clearly inadequate execution of an activity planned in the application attached to the funding grant decision/agreement, the final grant will be reduced according to the above lump sum table, and where applicable, the beneficiary will be required to reimburse any excess amounts paid by the Agency in the form of pre-financing.

11.3. Payment arrangements

A pre-financing payment corresponding to 50% of the grant amount will be transferred to the beneficiary within 30 days either of the date when the last of the two parties signs the grant agreement, or of the notification of the grant decision, provided all requested guarantees have been received.

The Agency will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 11.2 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order.

11.4. Pre-financing guarantee

In the event that the applicant's financial capacity is not satisfactory, a pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the Member State of the European Union. When the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or financial institution established in that third country may provide the guarantee if he considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement/decision.

12. PUBLICITY

12.1. By the beneficiaries

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and logo of the programme on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the logo and the disclaimer available at http://ec.europa.eu/dgs/education_culture/promo/creative-europe/eps/eps.zip , which will be provided by the Agency.

If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement or grant decision.

12.2. By the Agency and/or the Commission

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on the Internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The Agency and/or the Commission will publish the following information:

- name of the beneficiary,
- locality of the beneficiary, : address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level¹⁰ if he/she is domiciled within the EU or equivalent if domiciled outside EU,
- the amount awarded,
- nature and purpose of the grant.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

12.3 Communication and dissemination

To maximise impact, projects should have a clear and strong strategy for communication and dissemination of their activities and results, and applicants must provide enough time and resources to communicate and interact appropriately with peers, audiences and local communities as appropriate.

The Commission together with the Agency may identify good practices and prepare relevant dissemination materials to be shared within and across all participating countries and beyond.

Data and results from projects will be made freely available to be used by stakeholders, policy makers and others in a wide range of ways.

Beneficiaries may be required to attend and to participate in events organised by the European Commission or the Agency to share their experience with other participants and/or policy makers.

¹⁰ European Union Official Journal L39, of 10 February 2007.

13. DATA PROTECTION

All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the European Community institutions and bodies and on the free movement of such data.¹¹

Unless marked as optional, the applicant's replies to the questions in the application form are necessary to evaluate and further process the grant application in accordance with the specifications of the call for proposals. Personal data will be processed solely for that purpose by the department or Unit responsible for the Union grant programme concerned (entity acting as data controller). Personal data may be transferred on a need to know basis to third parties involved in the evaluation of applications or in the grant management procedure, without prejudice of transfer to the bodies in charge of monitoring and inspection tasks in accordance with European Union law. In particular, for the purposes of safeguarding the financial interests of the Union, personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office and between authorising officers of the Commission and the executive agencies. The applicant has the right of access to, and to rectify, the data concerning him or her. For any question relating to these data, please contact the Controller. Applicants have the right of recourse to the European Data Protection Supervisor at any time. A detailed Privacy statement, including contact information, is available on EACEA's website:

http://eacea.ec.europa.eu/about/documents/calls_gen_conditions/eacea_grants_privacy_statement.pdf

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- Commission decision of 13 November 2014 on the Early Warning System to be used by authorising officers of the Commission and by the executive agencies (OJ L 329, 14.11.2014, p. 68–80), or

- the Commission Regulation of 17.12.2008 on the Central Exclusion Database – CED (OJ L 344, 20.12.2008, p. 12),

their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a procurement contract or a grant agreement or grant decision.

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

14.1 Publication

The call for proposals is published on the Internet site of the EACEA at the following address:

https://eacea.ec.europa.eu/creative-europe/funding/distribution-selective-scheme-support-for-transnational-distribution-european-films-2016_en

14.2 Registration in the Participant Portal

¹¹ Official Journal L 8, 12.1.2001.

Before submitting an electronic application, applicants [coordinators and distributors] will have to register their organisation in the Education, Audiovisual, Culture, Citizenship and Volunteering Participant Portal and receive a Participant Identification Code (PIC). The PIC will be requested in the application form.

The Participant Portal is the tool through which all legal and financial information related to organisations will be managed. Information on how to register can be found in the portal under the following address:

http://ec.europa.eu/education/participants/portal/desktop/en/home.html

The tool also allows applicants to upload different documents related to their organisation. These documents have to be uploaded once and will not be requested again for subsequent applications by the same organisation.

Details on the supporting document that need to be uploaded in the portal can be found:

https://eacea.ec.europa.eu/creative-europe/funding/distribution-selective-scheme-support-for-transnational-distribution-european-films-2016_en

14.3 Submission of the grant application

Proposals must be submitted in accordance with the admissibility requirements set out under section 5.

An online application system has been set up. Grant applications must be drawn up in one of the official EU languages, using the online form (eForm) specifically designed for this purpose. To facilitate the assessment of the application, an English or French translation of the documents relevant to the assessment of the project must be submitted.

The eForm can be obtained on the Internet at the following address: <u>https://eacea.ec.europa.eu/PPMT/</u>

Proposals must be submitted by the relevant deadline mentioned in the call for proposals and in Section "3. Timetable" of the present Guidelines **before 12:00 CET/CEST (Midday, Brussels time)**, using the online application form.

Applicants should note that no applications submitted after 12.00CET/CEST on the relevant deadline will be accepted. They are very strongly encouraged not to wait until the final day and to read the User Guide to submit their application.

Please note that no other method of submission of an application will be accepted. Applications submitted in any other way will be automatically rejected. No exceptions will be made.

Make sure that you have officially submitted your electronic application form and that you have received an e-mail acknowledging receipt of your submission with a project reference number.

Applicants shall ensure that all the documents requested and mentioned in the eForm are attached to the Eform.

In order to complete the application, the following has to be provided:

Distributors:

• the curriculum vitae of the legal representative of the company and the curriculum vitae of the Head of Distribution (if they are not the same person) to be uploaded on the participant portal.

Coordinators:

- a copy of the film (DVD or any other format) for which support is sought
- for live-action children's' films: any material that can support the qualification of the film

The package must indicate:

the name of the company:

the title of the film:

the E-form confirmation number:

Address to which the documents must be sent:

Education, Audiovisual & Culture Executive Agency

Creative Europe Programme (2014–2020) MEDIA Sub-programme – SELECTIVE SCHEME Avenue du Bourget 1 BOUR 03/66 BE – 1049 Brussels Belgium

No modifications to the application are allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or for the correction of clerical mistakes, the Agency may contact the applicant for this purpose during the evaluation process.

All applicants will be informed in writing about the results of the selection process.

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

14.4 Evaluation procedure

Within each film category (small and medium films), eligible groupings will be ranked according to the award criteria defined and weighted in section 8 of the present Guidelines. Within the limit of the available budget, and in accordance with the budget allocation set under section 4, actions obtaining the highest scores will be selected.

14.5 Award decision

Only after completion of the procedure mentioned above, is the selection process finalised and the award decision adopted by the Agency.

Applicants will be informed of the results of the selection within two weeks of the date of adoption of the award decision.

Unsuccessful applicants will receive a letter stating the reasons why their application was not selected.

Once applicants are informed the list of selected proposals will be published on the website of the Agency: <u>http://eacea.ec.europa.eu/creative-europe/selection-results_en</u>

14.6 Rules applicable

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union (OJ L 298, 26.10.2012, p.1).

Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p.1).

Regulation (EU) No 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) concerning the implementation of a support Programme for the European creative sector (Creative Europe) (OJ L 347/221, 20 December 2013) and its corrigendum of 27/06/2014 (OJ L 189/260).

14.7 Contacts

For any further information please contact your Creative Europe desk: <u>http://ec.europa.eu/culture/tools/creative-desks_en.htm</u>

Contact within the Agency: EACEA-DISTRIBUTION-SELECTIVE@ec.europa.eu

If you encounter a technical problem in relation to the e-Form, please ensure that you contact the HelpDesk well in advance of the deadline for submission: <u>eacea-helpdesk@ec.europa.eu</u>