THE FINNISH FILM FOUNDATION SUPPORT GUIDE

THE FINNISH FILM FOUNDATION

The Finnish Film Foundation is an independent foundation under the guidance of

the Ministry of Education and Culture. The aim of the Film Foundation is to promote high-quality, diverse and innovative film production in Finland. The Foundation grants support for the professional production, screening and distribution of films in various distribution channels. The Foundation is also responsible for the export of Finnish films, promoting the internationalisation of Finnish films and filmmakers and distributing support for the international promotion of films. The Foundation grants support for nationally significant international film festivals in Finland.

The Finnish Film Foundation receives its funds from Veikkaus and the Finnish gaming system from the monies allocated to the government's budget for the promotion of film. The Film Foundation's support is discretionary and falls under the Act of Discretionary Government Transfers and act on the government promotion of film culture. The support is granted based on applications.

The aims and specific criteria of the support vary across support types. They have been described in support-specific grant announcements and in this guide. The grant announcement defines for whom the support is intended and who may apply. The Film Foundation's support is granted for professional operations.

ACT ON THE GOVERNMENT'S SUPPORT FOR THE PROMOTION OF FILM CULTURE (1174/2018)

The aim of the act is to promote

- 1) diverse and professional Finnish film production
- 2) the broad supply and distribution of films
- 3) the internationalisation of Finnish films and filmmakers
- 4) film culture and its development.

Participation, pluralism, cultural diversity and artistic freedom form the basis for reaching this aim.

(Act on the government's support for the promotion of film culture, section 2)

The Foundation's grants are based on the act on the government's support for the promotion of film culture (1174/2018). The grants apply the Act on Discretionary Government Transfers (688/2001). The Foundation follows the Administrative Procedure Act, the Act on the Openness of Government Activities (621/1999), the Language Act (423/2004), the Sámi Language Act (1086/2003), the Archives Act (831/1994), the Act on Electronic Services and Communication in the Public Sector (13/2003) and the Privacy Protection Act (9/2018).

ACCESS TO DOCUMENTS

According to the Act on the Openness of Government Activities (621/1999), a document submitted to the Finnish Film Foundation is public. Documents may also be designated confidential under the law or access to them may be discretionary. Confidential official documents include documents that contain information about private business or trade secrets.

BLOCK EXEMPTION REGULATION

The support granted by the Foundation is government aid that falls under the EU's Treaty, Article 107, and the decision by the EU Commission on 26 November 2008 concerning subsidies for the Finnish film industry (Commission regulation (EU) 651/2014), later block exemption regulation (BER).

Support granted by the Foundation must fulfil conditions listed in the BER's Articles 1–9 (general regulations) and Article 54 (aid schemes for audiovisual works).



According to the BER, support must be directed to a cultural product and can be granted for the production of audiovisual works, pre-production and distribution. According to section 3 of the act on the promotion of film, support may be granted for the production and distribution of films if the film can be considered an independent work of art, its content is based on cultural values originating in cultural identity and the film involves a significant artistic contribution by creators and performers whose wages and salaries form a significant portion of the production costs.

According to the BER's Article 53 (aid for culture and heritage conservation), the support may be granted for festivals and other similar cultural activities. According to the Article, support may take the form of either operating or investment aid.

According to the BER's general regulations, **the support should not be applied** to cases where the recipient would execute their project with or without the support, government support that has conditions or financing methods that do not follow EU legislation and especially support measures where the recipient is required to operate mainly from or in the country granting the support. However, the requirement that the recipient has a place of business or a subsidiary in the country granting the support is permissible.

An unconditional requirement is that the support cannot be granted to a corporation which is subject to an outstanding recovery order following a previous Commission decision declaring the aid illegal and incompatible with the internal market (BER, Article 1, Section 4 a).

SUPPORT GUIDE / Project support for international promotion

CONTENTS

1.	The terms and principles of project support	3
2.	Project support application	5
3.	Granted support and payment	7
4.	Oversight	7
5.	Final report for project support	8

6. Halting payments and repayment 9

GENERAL

Preparing an application

- Study the grant announcement, support guide and the section on project support for international promotion carefully.
- Register as a new client to the online application system or log in to your existing account (new registrations are usually processed within one week). https://ses.fi/tukitoiminta/sahkoinen-hakujarjestelma/
- Fill in an application in the online application system that consists of an electronic application form and the necessary appendices.
- Submit the application to the online application system.

See the grant announcement

1. THE TERMS AND PRINCIPLES OF PROJECT SUPPORT

The aim of the support

The aim of the international promotion support is to promote the internationalisation of Finnish films and filmmakers, boost the international status of Finnish films and to expand the skill set of film professionals.

(Act on the government's support for the promotion of film culture, section 2, specific justifications)

To whom?

The Finnish Film Foundation is responsible for the export of films whose main production country is Finland.

Project support for international promotion may be primarily granted for films that have received production support from the Foundation. The support covers completed and soon to be completed feature films, short or serialised drama, documentary, animation or children's films and combinations thereof.

Project support for international promotion may be granted to a production company that has the professional and financial means to market and distribute films or to a corporation registered in Finland that administers a film's international commercial rights or a domestic filmmaker or group of filmmakers.

For what purpose and how much?

The project support for international promotion is meant for the promotion of Finnish film exports.

Project support can be granted also for digitisation of previously released films if there is significant international interest which advances Finnish film culture.

(Act on the government's support for the promotion of film culture, section 6, specific justifications)

Support may be granted in full (100%) for necessary and justified reasons in order to reach stated objectives. Other funding and self-financing of the project are viewed as an advantage.

Apply for a realistic amount that supports the execution of the strategy. Please view previous support decisions from the Finnish Film Foundation's <u>support decisions page</u>.

The project's expenses are approved without regard to VAT. If the grant recipient does not have the right to VAT deductions, the costs may be approved with VAT.

How and when to apply?

Applications are submitted online (<u>https://hakemus.ses.fi</u>) by sending in the application and appendices to the Finnish Film Foundation.

New applicants must register to the online application system. New clients are registered within a week.

Prior to submitting an application, the applicant must carefully read the relevant grant announcement and support guide.

The call for the project support is ongoing. The application will be processed in the first board meeting after the application has been submitted. The processing time is approximately 3–8 weeks after the application and all the required appendices have been submitted. The Finnish Film Foundation's board meets about once a month.

Project support handlers by support group:

Feature films and series (episodes over 22 min): Head of the International Department Jaana Puskala, tel. +358 9 6220 3026, jaana.puskala@ses.fi

Documentaries (over 30 minutes): Advisor / International Promotion and Cultural Export of Documentary Films Suvi Railo, tel. +358 9 6220 3021, suvi.railo@ses.fi

Short films (including documentaries under 30 minutes), series (episodes under 22 minutes): Advisor / International Promotion and Cultural Export of Short Films Otto Suuronen, tel. +358 9 6220 3019, otto.suuronen@ses.fi

What requirements must the applicant meet?

A prerequisite for granting the support is that the recipient has complied with earlier support agreements and met their conditions.

The Film Foundation may request further information if it deems it necessary for the decision-making process.

Support cannot be granted if the application is insufficient and the required information is not submitted into the online application system despite requests to do so.

How are the applications evaluated?

Project support for international promotion is discretionary. Granting the support is based on the overall evaluation and comparison of the applications. The following guidelines are used to evaluating the applications:

Evaluation takes into account the project's production and economic feasibility, international significance and the project's ability to produce new practices of internationalisation. In addition, the applicant's artistic, professional and financial means to complete the project and available funds are evaluated. Other funding and self-financing of the project are viewed as an advantage. Other support previously granted by the Film Foundation to the applicant is also taken into account.

How are the decisions made?

The Finnish Film Foundation's Board decides on the project support based on the CEO's presentation.

The application will be processed in the first board meeting after the application has been submitted. The processing time is approximately 3–8 weeks after the application and all the required appendices have been submitted. The Finnish Film Foundation's board meets about once a month.

All applicants receive the decision in writing.

The decision is based on the act of government funding for the advancement of cinema (56/2018), the Act on Discretionary Government Transfers (688/2001) and the Administrative Procedure Act (434/2003)

2. PROJECT SUPPORT APPLICATION

The application consists of an online application form and the obligatory appendices uploaded to the system.

Obligatory appendices of the project support application

The applicant must submit the appendices to the online application system:

- a project plan drafted according to the Film Foundation's template: <u>https://ses.fi/en/funding/guidelines-and-forms/</u>
- project cost estimate
- project financing plan
- other financing agreements

Note! The type of appendix should be named to correspond with the appendix so that the online application system refrains from sending an automated message about missing appendices.

Applicant's appendices

The appendices pertaining to the applicant must be submitted no later than the deadline in the application system under Applicant's Appendices:

- a verified and audited financial statement (if the Limited-liability Companies Act, the Audit Act or the articles of association necessitate an auditor) covering the latest financial period.
- a valid extract from the Trade Register no older than six months
- a certificate of paid taxes no older than three months
- a certificate of paid pension insurance premiums no older than three months

• a current shareholders' register (Limited Liability Companies Act, chapter 3) (delivered only once and updated if changes in ownership occur)

INSTRUCTIONS FOR APPLICANTS – PROJECT SUPPORT APPLICATION:

Applications and the Applicant's information

The Film Foundation's online application system has two windows:

- 1) Applications, where all the information and appendices related to the application are submitted
- 2) the Applicant's appendices, where all current production company or corporation documents are submitted

Cost estimate

The cost estimate accounts for the project expenses without VAT. If the grant recipient does not have the right to VAT deductions, the costs may be approved with VAT.

Financial plan

Disclose any other possible funding for the project in the financial plan. Disclose the funding party and the amount.

Other financing agreements

Submit confirmations of other than Film Foundation funding as appendices to the application. The confirmations are submitted as appendices to the application. If funding agreements are confirmed after the application has been submitted, they may be added later as appendices. Notify the processor of any relevant changes.

Audit duty

The Audit Act contains regulations about when a registered corporation is not under the obligation to select an auditor.

Financial statement: https://www.finlex.fi/fi/laki/ajantasa/2015/20070459

A good application and smooth communication

The Film Foundation's international department processes roughly 300–350 applications per year. It is essential for evaluation and comparison between the applications that the application is clear and carefully prepared.

In a good application, the overall strategy of the project clearly states the project's aims, execution, schedule and personnel. The project's cost estimate and financial plan support the project's strategy and goals. Possible other funding mentioned in the financial plan has been confirmed with financial agreements included in the application's appendices.

Be clear and relate the essentials in your application. Think especially how the support applied for corresponds to the support's aims and the evaluation criteria mentioned below. The application must also state why the project is important. Inform the reader of your ability to execute the project.

Project support for international promotion is discretionary. Granting the support is based on the overall evaluation and comparison of the applications. The following guidelines are used to evaluate the applications.

Evaluation takes into account the project's production and economic feasibility, international significance and the project's ability to produce new practices of internationalisation. In addition, the applicant's artistic, professional and financial means to complete the project and available funds are evaluated. Other funding and self-financing of the project are viewed as an advantage. Other support previously granted by the Film Foundation to the applicant is also taken into account.

Please note that the Film Foundation's online system does not automatically inform the Foundation's employees of updated information or appendices. If you update the appendices, notify the processor via email.

3. GRANTED SUPPORT AND PAYMENT

Project support payments

Granted support is paid to the applicant's Finnish bank account mentioned in the application in two instalments as follows:

- 80% immediately after the decision
- 20% after the final report has been approved by the Foundation.

The recipient must include a mention of the Film Foundation's support in possible publications, by using the Film Foundation's logo or stating: "This work was supported by the Finnish Film Foundation."

Logos: http://ses.fi/julkaisut/ses-logot/

4. OVERSIGHT

The Film Foundation oversees and supervises how the support is used. The Film Foundation has the right to use audits to oversee payments and how the support is used. The Film Foundation may also postpone payments during audits.

Organising project oversight

The support recipient must maintain their accounts according to the Accounting Act and the Accounting Ordinance and follow sound accounting procedures. The recipient must organise the project's audit trail – the link between the recipient's financial statement and the project's statement of charges – in a way that it can be reliably, completely and transparently verified by a third party.

The Foundation always reserves the right to fully audit the recipient's accounting and management.

The recipient must take into account and inform the accountant and auditor about the Film Foundation's guidelines and recommendations concerning the accounting, financial statement and auditing principles.

https://ses.fi/en/funding/guidelines-and-forms/

The recipient is obligated to provide their accountant and auditor the film's support agreement and all appendices. If the recipient neglects these duties, the Film Foundation has the right to deliver the documents to the accountant and auditor named in the support agreement.

Disclosure requirement

The recipient must provide the Finnish Film Foundation the correct and sufficient information to enable oversight of the support decision's conditions.

The recipient must inform the Foundation of all changes that influence the way the support is used without delay. Changes that influence the use of the support include changes in the project's quality, breadth and funding. The Foundation also always has the right to receive information about the project's current status and follow the project's progress.

A written report of any changes must be emailed to the international promotion support handler (handlers and contact information above).

Extensions

The Finnish Film Foundation may change the purpose and conditions of the support based on the recipient's application. Applications for extensions must be submitted 30 days before the support runs out.

A written report on the extension should be emailed to the handler, submitted to the online application system under "Loppuselvityksen lisäaikapyyntö" ("Final Report Extension Request").

5. FINAL REPORT FOR PROJECT SUPPORT

The support must be used and a report submitted no more than a year after the support decision was made.

The final report must contain:

- a written report on the project
- an itemised report on actualised costs and information about actualised funding. The report must indicate the project's costs and funding in relation to the budget on the original application.

If the Film Foundation's support granted to the project is

- less than €20,000, the project audit report must be verified and signed by an accountant
- at least €20,000, the project audit report must be verified and signed by an authorised accountant

The final report is submitted to the online application system as a application appendix.

Approving the project support final report

Information of the appended final report submitted to the online support system is emailed to the advisor:

Feature films and series (over 22 min/episode): Head of the International Department Jaana Puskala, tel. +358 9 6220 3026, jaana.puskala@ses.fi

Documentaries (over 30 minutes): Advisor / International Promotion and Cultural Export of Documentary Films Suvi Railo, tel. +358 9 6220 3021, suvi.railo@ses.fi

Short films (including documentaries under 30 minutes), TV-series (episodes under 22 minutes): Advisor / International Promotion and Cultural Export of Short Films Otto Suuronen, tel. +358 9 6220 3019, otto.suuronen@ses.fi

An automatic message indicating that the final report is missing is only removed when the final report has been approved by the Film Foundation and the final instalment of the support has been paid.

The general information of the application includes a link to payment information that shows when the instalments have been paid.

The Film Foundation may request further information if it deems it necessary for the approval of the final report. The Finnish Film Foundation has the right to perform audits on the recipient's finances and activities based on the Act on Discretionary Government Transfers, section 16. The recipient must ascertain that the Film Foundation has the necessary prerequisites to perform the audit.

The Film Foundation approves the project's final costs and funding based on the final report.

If the project's support exceeds the actualised costs, the Film Foundation deducts the sum from the unpaid instalment. If the sum is larger than the unpaid instalment, the recipient must immediately return the exceeding portion of the support to the Film Foundation.

Act on Discretionary Government Transfers (688/2001) section 20 Repayment of discretionary Government transfers

Recipients of discretionary Government transfer must repay without delay any transfer or part thereof they have received through error, in excess or manifestly without cause. Recipients must also repay a transfer or part thereof if it cannot be used as required in the transfer decision. If the repayable sum does not exceed 100 euros, it is not necessary to repay it.

In addition to the Act on Discretionary Government Transfers (688/2001), section 20, the recipient must abide by the following repayment conditions:

the recipient is obliged to immediately repay the support or part of the support if the support has not been used during the time period agreed to by the parties and if the Film Foundation has not granted an extension

the repayable amount must include annual interest and an added three percent following the Interest Act (633/1982), section 3, subsection 2. The interest is calculated from the last payment to the support repayment date.

The target of the support and application number must be mentioned in the message field during repayment.

The support must be repaid to the Finnish Film Foundation's bank account:

Nordea Bank Abp IBAN FI74 1572 3000 0305 77 BIC NDEAFIHH

6. HALTING PAYMENTS AND REPAYMENT

If the recipient does not repay the Film Foundation according to the Act on Discretionary Government Transfers, section 20, repayment of the support or a portion of it will proceed according to section 9 and section 10 of the act of government transfers to promote film culture.

Section 9 Halting payments

The Arts Promotion Center Finland is responsible for halting payments.

The Finnish Film Foundation must immediately make a proposal to the Arts Promotion Center Finland that the government transfer be halted if the Film Foundation has discovered information that warrants halting the payments. The Arts Promotion Center decides to halt payments and the continuation or halting of government transfers based on the Film Foundation's suggestion.

The decision to halt payments must be made immediately and, for special reasons, in at least two calendar years after the Finnish Film Foundation's suggestion.

The Finnish Film Foundation must include sufficient and essential information to make a decision to halt payments. The Arts Promotion Center Finland also has the right to receive the necessary information from the Finnish Film Foundation to halt payments without regard to confidentiality agreements.

Section 10 Repayment

The Arts Promotion Center Finland is responsible for halting payments.

The Finnish Film Foundation must immediately inform the Arts Promotion Center Finland of facts that would or should warrant government transfer repayments. The Arts Promotion Center Finland makes the repayment decision.

The repayment decision must be made immediately and, for special reasons, in at least two calendar years after the Finnish Film Foundation's suggestion.

The Finnish Film Foundation must include sufficient and essential information to make a repayment decision. The Arts Promotion Center Finland also has the right to receive the necessary information from the Finnish Film Foundation for repayments without regard to confidentiality agreements.