



CREATIVE EUROPE

MEDIA Sub-programme

SUPPORT FOR THE DISTRIBUTION OF NON- NATIONAL FILMS

THE DISTRIBUTION “SELECTIVE SCHEME”

GUIDELINES

Please note that the standard grant agreements/decisions of the Agency are currently under revision due to the entry into force of the new Financial Regulation and its Rules of Application in 2018. For this reason the draft grant agreements/decisions related to this call are published as an example and consequently the Agency reserves the right to introduce changes or additional details subject to the adoption of the final text of the Financial Regulation and Rules of Application. In this case the Agency will announce the changes as soon as possible and at the latest before the signature of the grant agreements or grant decisions.

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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 27/06/2014².

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: <http://ec.europa.eu/programmes/creative-europe/>

2. OBJECTIVES – THEMES – PRIORITIES

2.1. Objectives

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

- supporting theatrical distribution through non-national 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 non-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	
a)	Publication of the call	September 2017	
b)	Deadline for submitting applications	Tuesday 5th December 2017, 12:00 (noon, Brussels Time)	Thursday 14th June 2018, 12:00 (noon, Brussels Time)
c)	Evaluation period	December 2017 – March 2018	June - October 2018
d)	Information to applicants	April 2018	November 2018
e)	Signature of grant agreement or notification of grant decision	May 2018	November 2018
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 5th October 2017.	The film can be released from the date of submission, and at the earliest on 14th April 2018.
g)	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 9,75M³.

This budget is subject to the availability of the funds after the adoption of the budget for 2018 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 received 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.

³ A maximum of 40% will be allocated under the first deadline of the call for proposals

In order to submit an application, applicants 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 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, 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 and overseas countries and territories which are eligible to participate in the Programme pursuant to Article 58 of Council Decision 2001/822/EC;
- Acceding countries, candidate countries and potential candidates benefiting from a pre-accession 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 British applicants: Please be aware that eligibility criteria must be complied with for the *entire* duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article II.16.2.1(a) of the grant agreement.

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: Albania, Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, FYRoM, Greece, Hungary, Ireland, Iceland, Latvia, Lithuania, Luxembourg, Malta, Montenegro, Norway, Netherlands, Poland, Portugal, Romania, Republic of Serbia, 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 in the country for which a grant is requested⁴.

⁴ This requirement is waived for the following countries as they are linked for distribution purpose: Belgium and

If tasks and/or responsibilities are so shared between different companies that it is impossible to assess a unique distributor for the film in a territory, the film will not be supported in that territory.

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

- 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.

In order to assess the applicants' eligibility, the following supporting documents are requested:

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required),
- **public entity:** copy of the resolution or decision establishing the public company, or other official document establishing the public-law entity.

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 eligible European films, submitted as part of an eligible grouping of distributors coordinated by the sales agent ("the coordinator") 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 2015 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 10M⁵
- 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 copyright as appearing on the rolling credits, creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is.

Luxembourg; Greece and Cyprus; United Kingdom and Ireland.

⁵ The monthly rate applicable at the time of publication must be used

- 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:

	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1 ⁶	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

The film must have a standard interoperable identifier, such as ISAN or EIDR, to be provided by the coordinator.

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 Sub-programme 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 (the sales agent of the film) who is responsible for submitting the "Film/Group Form" and refer to at least seven eligible applications from different eligible distributors operating in different countries.

⁶ Actors will only be counted for the qualification of live action feature films

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 at the latest one month before the deadline specified in the Grant Agreement/Decision. The maximum duration will then be 24 months.

The Selective scheme cannot be cumulated with reinvestment in release costs (Module 3) under the Automatic support scheme for the same film. Applications for release 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 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 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.

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

An applicant will be excluded from participating in calls for proposals procedure, if it is in any of the following situations:

- a) it is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;
- b) it has been established by a final judgement or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country of the implementation of the grant;
- c) it has been established by a final judgement or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

- (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other persons with the aim of distorting competition;
 - (iii) violating intellectual property rights;
 - (iv) attempting to influence the decision-making process of the Agency during the award procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- d) it has been established by a final judgement that the applicant is guilty of any of the following:
- (i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
 - (ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where the authorising officer is located, the country in which the applicant is established or the country of the implementation of the grant;
 - (iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;
 - (v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
 - (vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- e) it has shown significant deficiencies in complying with the main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an Authorising Officer, OLAF or the Court of Auditors;
- f) it has been established by a final judgement or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;
- g) in the absence of a final judgement or where applicable a final administrative decision, the applicant is in one of the cases provided in (c) to (f) above based in particular on :
- i. facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
 - ii. non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
 - iii. decisions of the ECB, the EIB, the European Investment Fund or international organisations;
 - iv. decisions of the Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law.
 - v. decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.
- (h) where a person who is a member of the administrative, management or supervisory body of the applicant, or who has powers of representation, decision or control with regard to that applicant (this

covers the company directors, members of the management or supervisory bodies, and cases where one person holds a majority of shares), is in one or more of the situations referred to in points (c) to (f) above.

(i) where a natural or legal person that assumes unlimited liability for the debts of that applicant is in one or more of the situations referred to in point (a) or (b) above.

If an applicant is in one of the situations of exclusion listed above, it should indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. They may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. This does not apply for the situations referred in point (d) of this section.

In the cases provided in (c) to (f) above, in the absence of a final judgement or where applicable a final administrative decision, the Agency may exclude an applicant provisionally from participating in a call for proposals where their participation would constitute a serious and imminent threat to the Union's financial interests.

7.2. Rejection from the award procedure

An applicant will not be awarded a grant for this procedure if

- (a) it is in an exclusion situation established in accordance with the above section 7.1;
- (b) it has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
- (c) it was previously involved in the preparation of a call for proposals where this entails a distortion of competition that cannot be remedied otherwise.

Rejection from this procedure and administrative sanctions (exclusion or financial penalty) may be imposed on applicants or affiliated entities where applicable, if any of the declarations or information provided as a condition for participating in this procedure prove to be false.

The applicants should be informed that the Agency may publish on its internet site the following information related to the exclusion and, where applicable, the financial penalty in the cases referred to in points (c), (d), (e) and (f) of the section 7.1⁷:

- (a) the name of the applicant concerned;
- (b) the exclusion situation;
- (c) the duration of the exclusion and/or the amount of the financial penalty.

In case of a preliminary classification in law (i.e. absence of a final judgement or a final administrative decision), the publication shall indicate that there is no final judgement or final administrative decision. In those cases, information about any appeals by the applicant, their status and their

⁷ This information shall not be published in any of the following circumstances:

- (a) where it is necessary to preserve the confidentiality of an investigation or of national judicial proceedings;
- (b) where publication would cause disproportionate damage to the applicant concerned or would otherwise be disproportionate on the basis of the proportionality criteria and to the amount of the financial penalty;
- (c) where a natural person is concerned, unless the publication of personal data is exceptionally justified, inter alia, by the seriousness of the conduct or its impact on the Union's financial interests. In such cases, the decision to publish the information shall duly take into consideration the right to privacy and other rights provided for in Regulation (EC) No 45/2001.

outcome, as well as any revised decision of the authorised officer, shall be published without delay. Where a financial penalty has been imposed, the publication shall also indicate whether that penalty has been paid.

The decision to publish the information is taken by the Agency either following the relevant final judgement, final administrative decision or preliminary classification in law, as the case may be. That decision shall take effect three months after its notification to the economic operator.

The information published shall be removed as soon as the exclusion has come to an end. In the case of a financial penalty, the publication shall be removed six months after payment of that penalty.

In accordance with Regulation (EC) No 45/2001, where personal data is concerned, the Agency shall inform the applicant of its rights under the applicable data protection rules and of the procedures available for exercising those rights.

7.3. Supporting documents

Applicants 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 attached to the application form accompanying the call for proposals. If applicable, the relevant documentary evidence which appropriately illustrates any remedial measures taken should be provided in annex to this declaration. The declaration is available at: http://eacea.ec.europa.eu/creative-europe/funding_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 RAO 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 paid in instalments;
- propose a grant agreement with a pre-financing covered by a bank guarantee (see section 11.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries;
- 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€⁸
- **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.

⁸ The monthly rates applicable at the time of publication must be used

Under each session, the grouping of distributors 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 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) https://eacea.ec.europa.eu/about-eacea/document-register_en

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.

Please note that the award of a grant does not establish an entitlement for subsequent years.

11. FINANCIAL PROVISIONS

11.1. General Principles

a) Non-cumulative award

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) Non-retroactivity

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 not have been incurred prior to the date of submission of the grant application and they must be incurred during the period of eligibility set out in section 3.

c) Co-financing

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.

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 2014/24/EU⁹ or contracting entities in the meaning of Directive 2014/25/EU¹⁰ 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;
- it clearly results from the proposal.

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”.

Language versions obtained with the MEDIA support in the frame of this scheme should be available for use by all potentially interested platforms of distribution (cinema, VOD, TV, etc.) and put at their disposal upon request irrespective of the territory where they are offering their services.

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 decision¹¹.

➤ **Maximum amount requested**

The lump sum requested is set according to the country and the size of the release that is quantified on the basis of the maximum number of screens covered on the first week of release:

⁹ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC.

¹⁰ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC.

¹¹ Commission Decision C(2017) 6118 of the 14/09/2017 amending Commission Decision C(2013) 9199

	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
Bulgaria, Cyprus, Estonia, Croatia, Ireland, Iceland, Lithuania, Luxembourg, Latvia, Malta, Romania, Slovenia, Slovakia and other countries joining the programme ¹² .	€ 2.200	€ 2.600	€ 5.000	€ 5.700	€ 7.100	€ 10.700			
Czech Republic, Denmark, Finland, Greece, Hungary, Norway, Portugal, Sweden.	€ 5.300		€ 8.300	€ 11.000	€ 16.500	€ 19.400	€ 33.300		
Austria, Belgium, Poland, Switzerland, The Netherlands.	€ 5.300		€ 9.100	€ 13.000	€ 20.800	€ 28.600	€ 58.200	€ 101.100	
France, Germany, Italy, Spain, United Kingdom	€ 7.300		€ 17.200	€ 30.400	€ 46.300	€ 67.400	€ 103.000	€ 125.000	€ 150.000

The first week of release is the 7 day period starting from the date of the first theatrical release in the territory.

The grant calculator shows the maximum amount of grant that may be requested in relation to the forecast number of screens on the first week of release. The grant calculator indicates amounts in euros.

To be taken into account, the screens must show the film **minimum 5 times**¹³ during the first week of release, 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.

¹² See section 6.1

¹³ Except for children films (live-action and animation for less than 12 years old) which have to be presented a minimum of 3 times during the first week of release

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, GR+CY and RS+ME, 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. The Evaluation Committee may decide to reduce the support on the basis of the following elements: the quality of the distribution plan (size of release, estimated budget and release, terms of the distribution contract, type of deal, rights acquired, VPF paid, forecast admissions, etc.), the potential of the film (performance in territories where it has already been released, awards, international press, talents, etc.), specificity of the territory (screen density, number of art house cinemas, multiplexes, Europa cinema members, audience levels for European films, etc.).

Small grants & consolidation.

All those awards per film and country which are equal to or less than 60.000€ 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 under the same deadline. The consolidated agreement/decision will contain up to 4 small grants. 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 Royalty Statement

The Agency will consider the number of screens that have shown the film at least 5 times¹⁴ during the first week of release in order to determine the final grant. Children films (live-action and animation for less than 12 years old) must be shown minimum 3 times during the first week of release.

¹⁴ *Ibid*

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 during the first week of release.

In the event of non-execution or clearly inadequate execution of an activity planned in the application attached to the funding decision/agreement, the final grant will be reduced according to the above lump sum table.

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 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 may be replaced by a joint and several guarantee by a third party or by a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

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 MEDIA Sub-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.

In addition, when the film is presented in cinemas or online, beneficiaries must show the logo or trailer of the MEDIA Sub-Programme, as provided by the Agency.

If these requirements are 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 not later than 30th 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 level¹⁵ 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.

¹⁵ European Union Official Journal L39, of 10 February 2007

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.

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.¹⁶

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 are members of the administrative, management or supervisory body are part of that applicant or who have powers of representation, decision or control with regard to that applicant or natural or legal persons that assume unlimited liability for the debts of that applicant are informed that, their personal data (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 Early Detection and Exclusion System (EDES) by the Authorising Officer of the Agency, should they be in one of the situations mentioned in the Regulation (EU, Euratom) n° 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 and repealing Council Regulation (EC, Euratom) N° 1605/2002 (OJ.L 298 of 26.10.2012, p.1) as amended by the Regulation (EU, Euratom) N° 2015/1929 of the European Parliament and of the Council of 28 October 2015 (OJ L 286, 30.10.2015, p.1).

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:

¹⁶ Official Journal L 8, 12.1.2001.

https://eacea.ec.europa.eu/creative-europe/selection-results_en

14.2 Registration in the Participant Portal

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:

http://eacea.ec.europa.eu/creative-europe/funding_en

14.3 Submission of the grant application

Proposals must be submitted in accordance with the admissibility requirements set out under section 5 and by the deadlines set out under section 3.

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: <https://eacea.ec.europa.eu/PPMT/>

Proposals must be received 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 received 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

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 by electronic mail with receipt about the results of the selection process.

14.4 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) as amended by the Regulation (EU Euratom) N° 1929/2015 of the European Parliament and of the Council of 28 October 2015 (OJ L 286, 30.10.2015, p.1).

Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of 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 362, 31.12.2012, p.1) as amended by the Commission Delegated Regulation (EU) No 2015/2462 of 30 October 2015 amending Delegated Regulation (EU) No 1268/2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 342, 29.12.2015, p. 7).

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).

14.5 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.

14.6 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 by electronic mail with receipt 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: http://eacea.ec.europa.eu/creative-europe/selection-results_en

14.7 Contacts

For any further information please contact your Creative Europe desk:

http://ec.europa.eu/culture/tools/creative-desks_en.htm

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: eacea-helpdesk@ec.europa.eu