



Strasbourg, 02/04/2015

Regulations 2015-2016– Distribution Support Programme

Introduction

The aim of the distribution support programme is to reinforce the distribution of European¹ films as defined in the regulations and to increase their audiences.

It is structured around two schemes:

Scheme I: Support for “marketing and publicity costs” for eligible films destined for distributors **selected** by Eurimages.

Scheme II: Support for “measures for fostering awareness of European Cinema” destined for innovative projects aimed at reinforcing the image of European cinema, developing public knowledge and increasing its audiences.

It is destined, for **Scheme I**, for distributors whose head office is in one of the Eurimages member states which does not have access to the Creative Europe-MEDIA programme of the European Union². However, it is also available to distribution companies whose head office is in one of the Fund’s other member states for the distribution of films produced or co-produced by one or more producers from countries who do not have access to the Creative Europe-MEDIA programme.

For **Scheme II**, distributors and other organisations or institutions, whose head office is in one of Eurimages’ member states which does not have access to the Creative Europe-MEDIA programme are eligible.

¹ Films produced either by one producer from a Eurimages member state, or by more than 50% of co-producers from Eurimages member states.

² As of 1/01/2015 these countries are: **Switzerland, “the former Yugoslav Republic of Macedonia”, Turkey (only eligible to Scheme I), the Russian Federation, Georgia, Serbia.**

Scheme I: Support for “marketing and publicity costs” for eligible films for distributors pre-selected by Eurimages.

Article 1: A **distributor** is defined as a natural or legal person operating under the legislation of one of the Fund’s member states whose principal activity consists of distributing cinematographic or audiovisual works and who is wholly independent of any public or private broadcasting organisation.

Distributors’ eligibility

Article 2: A distributor who meets the following requirements is eligible for financial support:

2.1 whose head office is in one of the Fund’s member states which does not have access to the Creative Europe-MEDIA distribution support mechanisms, i.e. Switzerland, “the former Yugoslav Republic of Macedonia”, Turkey, the Russian Federation, Georgia, Serbia, or in the case of a natural person (sole trader), is a national of one of these countries; or

2.2 whose head office is in one of the Fund’s member states which has access to the Creative Europe-MEDIA distribution mechanisms and wishes to distribute a film produced or co-produced by one or more producers from the member states listed in article 2.1 above; or, in the case of a natural person (sole trader), is a national of one of these countries and wishes to distribute a film produced or co-produced by one or more producers from one of the member states listed in article 2.1 above;

2.3 has fulfilled his obligations to Eurimages for films previously supported by Eurimages;

2.4 wishes to distribute films which do not originate from the country in which the distributor has his head office or in the case of a natural person (sole trader), which also excludes co-productions involving a producer originating from the country where the distributor has his head office.

Film eligibility

Article 3: **a full-length feature film, animation or a documentary (minimum duration: 70 minutes)**, is eligible for support if it:

3.1 is projected on digital cinema projection in conformity with DCI standards (Digital Cinema Initiative) or on 35 mm support;

3.2 is produced either by one single producer from a Eurimages member state or with more than 50% by co-producers from Eurimages member states;

3.3 is released on one copy or more for Georgia, “the former Yugoslav Republic of Macedonia” and Serbia, and on a minimum of 10 copies for Switzerland, Turkey, the Russian Federation; and must be released on at least 2 copies for those countries mentioned in article 2.2 above.

3.4 if the film is released in DCP, please note that the number of copies means the number of simultaneous digital screenings.

3.5 has not yet been released in the territory covered by the application;

3.6 is released in the country of origin not more than five years before the date of the request for distribution support;

3.7 will be released in at least one of the official languages of the territory for which support is being requested during the calendar year of the application.

Article 4: Films of a blatantly pornographic nature or those that advocate violence or openly incite the violation of human rights cannot be granted support from Eurimages.

Article 5: Co-productions supported by Eurimages, in which the distributor is involved in the financing, are excluded from receiving support from Eurimages.

Submission of applications for selection and support

Article 6: Applications must be submitted to the Eurimages Secretariat on the corresponding official application form available on the internet site www.coe.int/eurimages:

- **Distribution support, SCHEME I/A – Marketing and publicity costs – Distributors request for support: “[Form I-A](#)”**
- **Distribution support, SCHEME I/B – Marketing and publicity costs – Request for payment of support: “[Form I-B](#)”**

Article 7: Application deadlines, fixed annually by the Board of Management, are published in the major European trade journals and on the Eurimages web-site.

Article 8: Applications must be received by the Eurimages Secretariat no later than 6pm on the deadline date: the date of receipt is valid.

Article 9: Applications, prepared in accordance with these regulations should be completed upon receipt or they may be rendered inadmissible. If necessary, the Secretariat may ask for clarifications and/or complementary documentation.

Distributor’s application for selection

Article 10: Applications for selection are presented once a year, for the deadline corresponding to the second call for projects. For the year 2015, this date corresponds to 21 April.

Article 11: The application form must include, or be accompanied by, the following information/documentation:

- distributor extract from the Register of Commerce;
- distributors CV and/or those of the company directors;
- the catalogue of films distributed during the previous 2 years, completing the table appended to the application form;
- a distribution strategy profile for current year, mentioning co-operation agreements with the exhibitors, and with sub-distributors for releases in multiple territories;
- the list of films released during the first trimester of the application year, for which the distributor intends to request support, as well as the corresponding marketing and publicity costs (table appended to the application form);
- an estimation of the number of films eligible for support for which the distributor intends releasing during the remainder of the year, as well as the marketing and publicity costs incurred for these films.

Request for payment of support

Article 12: The request for payment of support may be presented at the corresponding deadline for each call for projects.

Article 13: Requests for payment must be made using the appropriate form, and for each of the films concerned, accompanied by the following:

- a copy of the acquisition agreement for the exploitation rights;
- documented proof of the theatrical release (posters, press cuttings...);
- an indication (nature and amount in national currency and euros) of the marketing and publicity costs incurred;
- a copy of paid invoices corresponding to the costs.

Consideration of applications

Article 14: The Secretariat will check the distributor's eligibility and include the request on the agenda of the meeting of the Fund's Board of Management.

Article 15: During the meeting of the second call for projects, the Board of Management will decide on the distributor's selection for the calendar year.

Selection of distributors

Article 16: Distributors will be **deemed eligible for support**, according to their profile and their experience. They must meet the usual standards of professionalism, as demonstrated by their company CV, amongst other things.

Article 17: The distributor must have a theatrical distribution strategy and, where possible, a multi-platform release strategy, adapted to the situation in his/her country. Furthermore, they should have co-operation agreements with exhibitors and, preferably, with the exhibitors of the Eurimages theatrical network.

Article 18: The presentation of a varied catalogue of films from different member states of the Fund and/or co-productions financed by Eurimages (films released during the two years preceding the application), is an added advantage for being eligible for support.

Article 19: A coordinated distribution marketing campaign in multiple territories is an added advantage for being eligible for support.

Determining the "right to support"

Article 20: The Board will decide on the number of films it intends to support for each of the selected distributors, taking into account the number of eligible films each distributor intends to release during the year, the corresponding estimated marketing and publicity costs, as well as the financial envelope available for the programme. Following this decision, a final agreement will be drawn up defining, for each of the distributors selected, his "right to support" for a certain number of eligible films.

Payment of support

Article 21: At the end of each call for projects, distributors will send to the Secretariat, in conformity with the requirements laid down in Article 13, requests for payment of support for the films they released during the previous trimester. The first request for payment of support should be presented for the deadline of the 3rd call for projects, by the distributors who were selected during the June Board of Management meeting, and this request will be relative to films released during the period 1 January to 30 June (inclusive) of the same year.

Article 22: The Secretariat will verify the eligibility of the films distributed, including items of evidence proving their theatrical release as well as checking the eligibility of marketing and publicity costs presented by the distributor, and proof of actual expenditure.

Article 23: For each of the Eurimages Board of Management meetings, the Secretariat will establish a resume of the amount owing to each distributor, for eligible projects, within their "right to support" as defined in the support agreement.

Article 24: Payment for support will be made by the Secretariat after approval of the sum by the Eurimages Board of Management.

Renewal of the support agreement

Article 25: A distributor wishing to renew his agreement should send the Secretariat, before the deadline of the second call for projects, a request for renewal accompanied by:

- a catalogue of films distributed during the previous 2 years completing the information requested in the table appended to the application form;
- a distribution strategy profile for the current year, mentioning co-operation agreements with exhibitors;
- the list of films released during the first trimester of the application year, for which the distributor intends to request support, as well as the corresponding marketing and publicity costs (table appended to the application form);
- an estimation of the number of films eligible for support for which the distributor intends releasing during the remainder of the year, as well as the marketing and publicity costs incurred for these films.

Amount and nature of support

Article 26: maximum amount of support:

- 70% of marketing and publicity costs incurred by the film, up to a limit of 10 000 € per film, for all eligible films distributed in Georgia, Serbia and "the former Yugoslav Republic of Macedonia", or all films originating from any of these countries released in another of the Fund's member states;
- 50% of marketing and publicity costs incurred by the film, up to a limit of 10.000 € per film for all eligible films distributed in Switzerland, Turkey or the Russian Federation, or all films originating from one of these countries released in another of the Fund's member states;
- a supplementary bonus of 1 000 € may be paid for films having received Eurimages' support for co-production.

Article 27: Financial support is awarded in the form of a grant and paid in one single payment per film.

Eligible costs

Article 28: Only marketing and publicity costs incurred by the release of the film are eligible. These include the following (non-exhaustive list):

28.1 Communication:

- mailings,
- publicist/press officer,
- premieres and events.

28.2 Advertising and publications:

- graphic design for posters, press book and advertising,
- printing costs,
- creation and adaptation of a local web site for the film,
- creation and implementation of a campaign through social media,
- booking fee for advertising space (posters, radio, TV spots),
- radio and TV spots.

28.3 Travel costs:

- Director's travel and accommodation (including a local promotional tour),
- Main actors' travel and accommodation (including a local promotional tour).

Article 29: the Secretariat reserves the right to assess the eligibility of costs presented and to request complementary information and/or items of evidence.

Distributor's obligations

Article 30: The distributor must release the film as indicated in the application form; any substantive changes in the distribution arrangements are subject to written approval by the Executive Director of Eurimages.

Article 31: The distributor must refer to Eurimages support on publicity material used to promote his/her company (website, press releases, etc.).

Article 32: The distributor must keep analytic accounts for each film, in such a way that expenses financed by Eurimages' support may be verified through an external audit. He must provide, if necessary and in a timely manner, any information or accounting records that may be requested as proof of costs financed by Eurimages.

Article 33: The distributor authorises Eurimages, at any time, to proceed with or to instigate an audit of the accounts to verify the correct use of the support granted, the accuracy of information provided at each stage of the support process, respect of the regulations and obligations of the support agreement.

Termination of the support agreement

Article 34: The grant shall be cancelled and any sums already paid shall become immediately repayable if the distributor:

- fails to meet his/her obligations under these regulations or any other obligations upon him/her under the terms of the agreement;
- has made false or misleading statements in his/her application or other relevant correspondence;
- becomes bankrupt or insolvent.

SCHEME II - Support for “measures for fostering awareness of European cinema” destined for innovative projects aimed at reinforcing the image of European cinema, developing public knowledge and increasing its audience.

Article 35: “**Beneficiaries**” eligible for “measures for fostering awareness of European cinema” support may be:

- distributors as defined in article 1 of the regulations;
- professional associations and other organisations working in the film and audiovisual industry who are able to justify professional competences in these domains.

Beneficiaries eligibility

Article 36: All beneficiaries, natural or legal persons, meeting the following criteria are eligible:

36.1 have their head office in one of the Fund’s member states which does not benefit from the mechanisms of the Creative Europe-MEDIA support programme: Switzerland, “the former Yugoslav Republic of Macedonia”, the Russian Federation, Georgia, Serbia are a national of one of these countries;

36.2 are up-to-date with their obligations vis-à-vis Eurimages for previously obtained support.

Project eligibility

Article 37: Projects aimed at developing and promoting the following in the countries indicated in article 36.1 above, are eligible:

- an enhanced image of European cinema;
- improved access to European films;
- public awareness of European films;
- distribution of and audiences for European films.

Article 38: Support could be available, for example, for VOD platform projects, internet information sites devoted to European cinema..., or for more traditional projects such as festivals, special edition reviews.

Article 39: The Secretariat has the right to assess the feasibility of a project on the basis of the documents provided and may request other complementary documents or information which it deems necessary.

Submission of applications

Article 40: Applications must be submitted to the Eurimages Secretariat on the corresponding form available on the internet site www.coe.int/eurimages:

**«Distribution support, Scheme II – « Measures for fostering awareness of European cinema »:
Application [Form II-A](#)**

Article 41: The application form must comprise, or be accompanied by, the following information/documentation:

- an extract from the beneficiaries' register of commerce;
- the Company Directors' CV;
- a detailed description of the project;
- a provisional budget, based on the model appended to the application form;
- a provisional financing plan, including the amount of support requested from Eurimages (model appended to the application form) and accompanied by confirmed evidence of financing.

Article 42: Applications must respect the provisions laid down in articles 8 and 9 of the regulations.

Article 43: Applications must be submitted once a year at the time of the first deadline corresponding to the March meeting.

Article 44: Applicants must contact their National Representatives on the Board of Management of Eurimages at the earliest opportunity. If one of the National Representatives concerned has not been contacted prior to the meeting of the Board of Management, the project shall be withdrawn from the agenda.

Examination and selection of applications

Article 45: The Secretariat will verify the beneficiary's and the project's eligibility and will include the application on the agenda of the Fund's Board of Management.

Article 46: Beneficiaries are selected on the basis of their profile and experience. They must meet the usual standards of professionals evidenced, amongst other things, by the managers' CV and the company profile (page 2 of the form).

Article 47: Projects will be selected, within the financial means available to the programme, according to their importance and the expected results defined by the objectives within article 37 above. Attention will be brought in particular to the financing of projects, and notably to other sources of existing finance and their feasibility.

Article 48: Projects with a certain profile will be prioritised, for example, projects:

- destined for a large public;
- with a diverse European plan;
- using several different broadcasting and distribution channels;
- covering several territories.

Article 49: If support is awarded, an agreement will be drawn up for each project. This agreement will define both the conditions in which the Eurimages support should be used and the beneficiary's obligations.

Amount, nature and payment of support

Article 50: The amount of support will be:

- up to 70% of the total eligible costs, for projects to be implemented in "the former Yugoslav Republic of Macedonia", Georgia and/or Serbia;

- up to 50% of the total eligible costs, for projects to be implemented in Switzerland, the Russian Federation.

Article 51: Financial support is awarded in the form of a grant, payable in 2 installments: 50% upon signature of the support agreement and 50% further to the completion of the project.

51.1 The request for payment of the second instalment must be made via 'Form II-B', available on the [website](#), and be accompanied by a report of the final costs of the project, as certified by an external auditor.

51.2 The certified final cost must be presented to Eurimages, at the latest, six months after completion of the project

51.3 If the actual cost of the project is inferior by less than 10% to the amount of the budget presented at the time of request for support, the Eurimages investment will be reduced proportionally by the amount exceeding 10%.

Eligible costs

Article 52: Eligible costs are **exclusively the external costs corresponding to the direct costs** for the launch of the project during its first year or for its completion, in respect of a project that is not due to be renewed (for example, on an annual basis), excluding overheads, personnel costs and other internal costs accrued by the beneficiary company. These may comprise the following (non-exhaustive list):

- acquisition of rights, purchase of supplies,
- transport of prints and material,
- travel and accommodation costs for guests
- reception costs,
- graphics, web design,
- subtitling and/or dubbing costs,
- publicity and marketing,
- equipment and theatre rental,
- printing and publishing fees,
- insurance,
- third party and professional fees,
- other external expenses.

Beneficiaries obligations

Article 53: The beneficiary will use Eurimages' support as indicated in the agreement; any substantive changes in the distribution arrangements are subject to written approval by the Executive Director of Eurimages.

Article 54: The beneficiary must refer to Eurimages' support on all publicity material used to promote the project.

Article 55: The beneficiary must keep analytic accounts for each project, in such a way that expenses financed by Eurimages' support may be verified through an external audit. He must provide, if necessary and in a timely manner, any information or accounting records that may be requested as proof of costs financed by Eurimages.

Article 56: The beneficiary authorises Eurimages at any time, to proceed with or to instigate an audit of the accounts to verify the correct use of the support granted, the accuracy of information provided at each stage of the support process, respect of the regulations and obligations of the support agreement.

Termination of the support agreement

Article 57: The grant shall be cancelled and any sums already paid shall become immediately repayable if the beneficiary:

- fails to meet his/her obligations under these regulations or any other obligations upon his/her under the terms of the agreement;
- has made false or misleading statements in his/her application or other relevant correspondence;
- becomes bankrupt or insolvent.

Common provisions for both support Schemes

Accounting currency

Article 58: The accounts of the Eurimages Fund are held in euros, and the level of financial assistance expressed in euros. Monies shall be payable in the same currency.

Article 59: To determine the equivalent in euros of the total distribution costs and the amount of financial assistance applied for, the only applicable exchange rate for foreign currencies into euros is the one regularly set by the Finance Division of the Council of Europe and published on the Eurimages website: www.coe.int/eurimages.

Disputes

Article 60: There can be no appeal against the Board of Management's financial decision on the application.

Article 61: Any dispute relating to the execution of any agreement concluded pursuant to these regulations shall be submitted, failing an amicable settlement between the parties for decision to an Arbitration Board composed of two arbitrators (each selected by one of the parties) and a presiding arbitrator, appointed by the first two arbitrators. If a presiding arbitrator is not appointed under the above conditions within a period of six months, the President of the Tribunal de Grande Instance of Strasbourg shall make the appointment.

Article 62: However, the parties may submit the dispute for a decision to a single arbitrator chosen by them by common agreement or, failing such an agreement, by the President of the Tribunal de Grande Instance of Strasbourg.

Article 63: The Board referred to in article 60 or, if appropriate, the arbitrator referred to in article 61 above shall determine the procedure to be followed.

Article 64: Failing agreement between the parties the Board, or if appropriate, the arbitrator shall decide "*ex aequo and bono*", in the light of general legal principles as well as of customs in the cinematographic and audio-visual field.

Article 65: The arbitration decision shall be final and shall be binding on the parties.

Interpretation and amendment

Article 66: The Board of Management or the Eurimages Fund reserves the right to interpret and amend the regulations.