

LAZIO CINE-INTERNATIONAL

ATTRACTION OF CINEMATOGRAPHIC PRODUCTIONS (FIRST NOTICE, 2020)

5 million euros

POR FESR (ERDF) Lazio 2014-2020 Theme 3 – Competitiveness

Endowment: 5 million Euro for the first-time window, 2020

Submission of applications: GeCoWEB form from 12.00 PM of 11 December 2019 to 12:00 PM of 13 February 2020, via PEC (Certified Electronic Mail): from 12.00 PM of 15 January 2020 to 6:00 PM of 13 February 2020

Objectives

The initiative is aimed at supporting the production of international Audiovisual Works for the purpose of:

- strengthening and improving the competitiveness of cinematographic production companies and the related activity, also through a more intense collaboration with foreign producers;
- raising the international visibility of Lazio's tourism destinations and especially of the places of artistic and cultural value that are currently more marginal sidelined given a demand concentrating mainly on Rome – and therefore strengthening and improving the competitiveness of the tourism sector.

The Fund

The endowment of the Notice is 5 million Euro, one half of which (2.5 million Euro) reserved for Audiovisual Works of Regional Interest.

Recipients

Companies: PMI (SME - Small and Medium Businesses) and Independent Co-producers, or Independent Producers as defined by the Cinema Law, operating mainly in the "Cinematographic, video and television production" sector (ATECO code 2007 59.11), and owners of the usage rights of the Work, at least for Italy.

The recipients must have an equity equal to or exceeding 40,000 Euro at the Date of Finalisation of the Form on GeCoWEB, already be registered in the Register of Companies or in an equivalent register in a Member State of the European Union, but at any rate must have, at the latest, at moment of the request of the first disbursement, fiscal residence in Italy and an operations office in Lazio. The beneficiary may be a single company or may be numerous beneficiaries for the same Work. The recipients must, in addition, have an adequate administrative, financial and operative capacity as necessary for creating the Audiovisual Work, jointly with the other Qualified Co-producers, which is to say that it must be at least equal to one, the ratio between:

- the sum of the Characteristic Average Production Value of the Qualified Co-producers, and
- the Total Production Cost net of the Third-Party Financial Coverage gathered at the Date of Finalisation from the Qualified Co-producers (including their corporate contribution) and of the amount of the Share of Partnership of the non-Qualified Co-producers.

The Recipients have the right to assimilate the purchaser of rights "in perpetuity" for the economic usage other than ticket sales at cinemas (generically: pre-sold television or web rights) with Other Co-Producers; alternatively, it may consider the payment of this cession as a financial cover.

Eligible works

The intervention is aimed at supporting the creation of international Audiovisual Works, intending:

- a. <u>Cinematographic Works Created in International Co-production</u> pursuant to art. 3 of the DPCM (Prime Ministerial Decree) of 11 July 2017, and that the Italian Portion and the Foreign Portion of Partnership compatible with the provisions of the Co-production Agreement between Italy and the foreign state in question;
- b. <u>Cinematographic Works Created in an Agreement of International Co-production or Audiovisual Works of International Production pursuant to art. 4 of the DPCM of 11 July 2017, and that therefore have the Italian Portion equal to at least 20% and the Foreign Portion equal to at least 10%;</u>
- c. <u>Audiovisual Works other than Cinematographic works</u> to which the Italian nationality is recognized pursuant to article 2 of the DPCM of 11 July 2017, and that therefore have the Italian Portion and the Foreign Portion of Partnership equal to at least 20%.

In all cases, the Foreign Co-Producers or Applicants must not be reciprocally connected to each other by relations of control and/or of common management and/or any other nature, except when the connection is inherent to the Work



itself or individual Audiovisual Works co-produced in the past. Co-productions created on the basis of a Co-production Contract are eligible. At the moment of submission of the application, at least one Letter of Intent must be submitted, signed by the Applicant or Applicants and by, at least, one Foreign Co-Producer who demonstrates a Financial Coverage equal to at least 40% of the Total Production Cost.

All the works must, at any rate, be classified as a "cultural product," having obtained, in the procedures under the purview of MIBACT (Ministero dei Beni e delle Attività Culturali e del Turismo - Ministry of Cultural Assets and Activities and Tourism) cultural eligibility, at least in the form of provisional eligibility at the moment of Finalisation of the Form on GeCoWEB.

Moreover, eligible audiovisual works:

- must not be among those excluded by the Cinema Law;
- if Cinematographic works, they must present a duration of greater than 52 minutes and a Total Production Cost equal to at least 1,500,000 Euro, 750,000 Euro for first and second works and 400 Euro per minute for documentaries.
- If non-Cinematographic Audiovisual works:
- If Works of Narration and Fiction, they must present a duration equal to or greater than 52 minutes and a Total Production Cost equal to at least 2,000 Euro per minute;
- If Works of Animation or Documentaries, they must present a Total Production Cost equal to at least 400 Euro per minute and a duration equal to or greater than 40 minutes, if Documentaries (individual or serial), or 24 minutes, if Works of Animation.

The Audiovisual Works for which, at the Date of Finalisation of the Form, filming has already begun, are excluded.

Eligible expenses

Those borne by the Recipient(s) for the creation of the Audiovisual Work are the sum of:

- Territorial Direct Eligible Costs;
- Extraterritorial Direct Eligible Costs;
- Eligible Costs of the Procedure;
- Flat-fee Indirect Costs, in the measure of 15% of the personnel expenses included in the Direct Eligible Expenses.

The Grant

The maximum amount of the Grant Aid allowed for each individual Audiovisual Work may not exceed 35% of the Admissible Expenses and the amount of 640,000 Euro in absolute value, and is determined as follows:

- an amount equal to 15% of the Admissible Expenses, increased to 20% in the case where the Italian Portion and the Foreign Portion are both equal to or greater than 20%, with a maximum equal to an absolute value of 380,000 Euro;
- a further amount equal to 5% of the Admissible Expenses if the Audiovisual Work is recognized to be of Regional Interest, with a maximum equal to an absolute value of 80,000 Euro;
- a further amount equal to 5% of the Admissible Expenses if the Audiovisual Work is recognized to be of Particular Regional Interest, increased to 10% in the case where the Italian Share and Foreign Share are both equal to or greater than 20%, with a maximum equal to an absolute value of 180,000 Euro;

The amount of the Grant is re-determined when disbursing the Balance, in compliance with article 54 of the GBER (General Block Exemption Regulation) with reference to the ratio between the sum of the Italian Grant and the Share of Italian Partnership to the Total Production Cost of the individual Audiovisual Work.

Selection procedure

The Eligible Works found suitable by the Technical Evaluation Committee are financed in order of submission of the application (via PEC – Certified Electronic Mail), until the endowment runs out, and taking account of the reserve for the Works of Regional Interest. The Works that earn a minimum score on the basis of the following criteria are suitable:

- technical quality and originality of the Work;
- curricula or track record of the key figures;
- ratio between Financial Coverage gathered at the Date of Finalisation of the Form and the Total Production Cost;
- economic impact on the direct/indirect production chain and on the Lazio system;
- Particular Regional Interest.

Submission of applications

The applications may only be presented by filling in the Form present on the GeCoWEB platform and loading the appropriate documentation onto the system. After the finalisation of the Form, the Applicant must download the file generated by GeCoWEB containing the Application with the Declarations attesting to the possession of the requirements, and the Form.

The file generated by the GeCoWEB system must be signed by Digital Signature of the Applicant's Legal Representative and sent by PEC (Certified Electronic Mail) to **incentivi@pec.lazioinnova.it**, from **12:00 PM of 15 January 2020** and,

except in the case of early closure of the window, until 6:00 PM of 13 February 2020, along with any other Declarations, also signed by Digital Signature.

The GeCoWEB Form is available online from **12:00 PM of 11 December 2019** and **until 12:00 PM of 13 February 2020**, except in the case of early closure of the window, which occurs after exceeding 10 million Euro of requested grants.

Creation of the Work and Disbursement Procedures

The Grant may be made under the condition that, under penalty of forfeiture, certain document is produced within the six months thereafter.

Filming must begin by no later than 12 months after even the conditional Granting Date, and the Work must be completed by no later than 12 months after the Date of Transmission of the Commitment Document. The deadline is 24 months (and at any rate no later than 30 October 2022) in the case of Works of Animation or of a duration greater than 220 minutes (series).

The contribution shall be disbursed according to the following procedures:

- an obligatory advance to be requested by no later than 30 days after the signing of the Commitment Document, in the minimum measure of 20% and the maximum measure of 40% of the Grant, guaranteed by the surety to be attached to the application.
- one or more payments upon the Works Progress Report with reporting of the Expenses Actually Incurred, of no less than 20% of Eligible expenses;
- a balance payment, to be requested by no later than 15 months after the Date of Transmission of the Commitment Document, accompanied by the reporting of the Expenses Actually Incurred. This deadline is 27 months (at any rate no later than 30 October 2022) in the case of Works of Animation or of a duration greater than 220 minutes (series).

In the event of certification of the report with sworn opinion by a Legal Auditor, in accordance with the procedures predefined by the POR FESR (ERDF) Management Authority, Lazio Innova shall proceed with administrative verifications only in the case of sampling of the facilitated Work.

Information

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