

**FUNDING
PROGRAMMES
REGULATION
FOR THE SUPPORT
OF
CINEMATOGRAPHIC
FILMS**

MINISTRY OF EDUCATION AND
CULTURE
LEFKOSIA, 2017

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INTRODUCTION

Cinema plays a particularly important role in shaping the identity of Europeans, both in relation to the common aspects that we encounter across Europe and in relation to the cultural diversity that characterizes our different traditions and our different historical past. Like audiovisual works in general, it is an essential factor for the sound functioning of our democracies, because of their significant influence on society. A cinematographic work is a cultural product that also offers important opportunities for creating prosperity and employment.

The Treaty of Unesco and the European Union, defines audiovisual and cinematographic works as a cultural product, and, on the basis of that wording, allows the provision of state aid for their production (Appendix III).

The objective of the Regulation is to enhance and promote cinematographic art and culture. It is fully in line with the European Union's cinema requirements.

Funds for cinematographic production are available from the annual budget of the Ministry of Education and Culture.

The regulation of funding programs for film support is based on Regulation (EU) no. No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market pursuant to Articles 107 and 108 of the Treaty on the Functioning of the European Union (TFEU).

KEY OBJECTIVES

The Regulation for Funding Programmes was drafted taking into account the following principles:

1. To encourage cultural diversity
2. To support and spread creative, quality work
3. To encourage co-productions
4. To support creation and freedom of expression
5. To satisfy the needs of professionals in the field
6. To support new filmmakers
7. To provide the abilities required to develop modern technology
8. To create a framework which will strengthen aspects of the economy in general, and which will give impetus to new jobs and professional skills, by providing incentives and funding, in order to develop a robust industry of filming/audio-visual media in the country.

9. To create a useful, practical and productive tool for professionals in the field of cinema for the purpose of consolidating the transparencies of selection procedures.

The Regulation for Funding Programmes was approved by the European Committee on Cinema and the European Committee for State Aid for the June **2017 – 2020** period (31.12.2020), period, with a possible six month extension.

The Regulation for Funding Programmes provides for the support and development of the cinematographic production of Feature Films, Short Films, Documentaries and Animated Films, in all stages of creation/production and for supporting Cypriot producers to enter into agreements with foreign producers.

Furthermore, it supports the presentation of Cypriot films in Cyprus and abroad, in an effort to approach the public through Cypriot cinema, to promote Cypriot culture and the cinematographic creation. For the attainment of the above objects, the regulation makes provisions for supporting the production at all stages of a film: scriptwriting, production preparation, production, postproduction, and distribution of the work.

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ENERAL CONDITIONS

1. This Regulation is a development and improvement of the previous regulations which are abolished in their entirety.
2. An announcement in the daily press and in the "Official Gazette of the Republic" for the submission of new proposals for the funding cinematographic works takes place once a year, towards the end of May - beginning of June, ending at the end of October of the same year. Relevant decisions on the results are notified approximately in the first quarter of the following year.
3. Undertakings in difficulty as defined in Article 2, paragraph 18 of Regulation (EU) 651/2014 are excluded from the beneficiaries.
4. Undertakings which are subject to an outstanding recovery order following a previous European Commission decision as provided in Article 1 (4) (a) of Regulation (EU) 651/2014, do not qualify as beneficiaries.
5. Applicants must submit their Proposals in 9 bound copies and in electronic pdf format (in a single file) at cypruscinema.gov@cytanet.com.cy. Applicants must also attach DVDs with samples of a previous work of the director and scriptwriter in the printed form, and if sent in an electronic form, the electronic links must be attached. Copies shall not be returned.
6. The Ministry of Education and Culture reserves the right to postpone the submission period and study of proposals for the funding of cinematographic works in the event that a serious financial or procedural inability to obtain the decisions is established; furthermore it may announce more than one submission periods for examination, by timely notification in the Daily Press.
7. The Ministry of Education and Culture shall not participate in or sponsor television series or television programs.
8. Proposals which evidently promote violence, racism, pornography or which are insulting the religious feelings of the people, or contain libel, and encourage the use of drugs shall not be accepted.
9. MINIMUM LEVEL OF ACTIVITY IN CYPRUS
 - a. In cases of aid covering less than 31% of production costs, 50% of production costs are to be spent on the territory of the Republic of Cyprus.

b. If the aid covers more than 31% of production costs, then the territorial requirement follows the rule of the 160% ceiling of the aid up to a maximum of 80% of production costs.

10. GENERAL PRE-SELECTION CRITERIA FOR FILMS (Cultural Test)

For pre-selection purposes the films must satisfy at least three of the following criteria:

- i. Filming must take place in Cyprus
- ii. The language/s of the film must predominantly be in one or both the official languages of the Republic of Cyprus and/or in combination with other languages of the European Union.
- iii. The project must be of high artistic specifications
- iv. At least one of the central characters of the film must be associated to the Cyprus culture

- v. The scenario upon which the film is based must be mainly written by a Cypriot scriptwriter or a scriptwriter who lives and works in Cyprus.
- vi. The main theme of the project must stem from contemporary or historical subjects relating to Cyprus or must be an adaptation of an existing Cypriot literary work or to an original script on Cyprus.
- vii. The film has proven to promote the diversity of cultural expressions of people and multiculturalism.

Subsequently, the Proposal will be appraised in accordance with the provisions of the Regulation as regards other requirements.

11. PRE-SELECTION CRITERIA – “DIFFICULT FILMS”

Difficult films are classified* as those films which are to be filmed in one of the two official languages of the Republic of Cyprus or in a combination of the

two languages, and which satisfy at least 2 or more of the criteria referred to in paragraph 10 (i, iii, iv, v, vi, vii).

**Announcement for Cinema / Section 5, Article 52, note 2 and footnote 1, “Difficult” films).*

(A) FULL LENGTH FEATURE FILM

The first-time and second-time film of a low budget director (Fiction, Documentary, Animation).

Low Budget Full Length Feature Films (Fiction, Documentary, Animation).

Extremely Low Budget Full Length Feature Films, up to €85.000 (Fiction, Documentary, Animation).

(B) SHORT LENGTH FEATURE FILM

All Short Films (Fiction, Documentary, Animation).

12. INTENSITY OF FILM FUNDING

For the calculation of the intensity and eligible costs, all data used shall be

calculated before deduction of taxes or other charges.

Cumulation of aid from State or other European Union resources is permitted if it does not relate to the same eligible costs or when it relates to the same eligible costs and as a whole does not lead to the maximum or higher aid being exceeded under Regulation (EU) 651/2014. In addition, aid granted under the Financial Programs Regulation is not cumulated with any de minimis aid in respect of the same eligible costs if such cumulation would lead to the expected aid intensity or amount of aid being exceeded under Regulation (EU) 651/2014.

A. LONG FEATURE FILM /Intensified funding 50% up to and including 60%

In accordance with the European Union's directives, the Competent Agency (in this case the MEC) has the right to finance the films they select with an amount of up to 50% of their budget and up to 60 % for cross-border productions funded by more than one Member State.

B. LONG FEATURE FILM / Intensified funding up to 70% (Difficult Films)

Long Length feature films may obtain funding for 70% of their budget if they fall under the category "difficult" films (paragraph 9).

C. LONG FEATURE FILMS WITH EXTREMELY LOW BUDGET/ Intensified funding up to 80% - (Difficult Films)

In the event where the total budget of a Long Feature Fiction Film does not exceed 85,000 euros and the director of the film or the film itself is directly linked to the official languages of the Republic of Cyprus, Cypriot culture and civilization, then this application may be approved directly for production and is financed by 80% from the A.C.F (Advisory Committee on Film), namely with a maximum of € 68,000.

- Applications shall be examined by the committee and approved within 3 months from the date of application;
- Approved applications must be completed and the final copy must be delivered within 12 months from the date of their application;
- The application can be made without a production company, but in such case an executive producer must be appointed;
- A director who is associated to another application for funding,

shall have a right to apply for this programme as well;

- As regards other parts, all the conditions and rules of the programme for low budget films shall apply for the sub-programme;
- The state's ownership percentage in the film shall amount to 80%.

The main purpose of the Program is to subsidize a larger number of long feature films, so that there is continuous production of films, which is very important, both in terms of creativity and in terms of development, as there will be a continuous flow of employment for professionals in this field in all sectors. Additionally, the program aims to improve the quality of scripts and their successful adaptation to very low budget conditions. Finally, the young directors are given the opportunity to record at least one feature film on their resume, and the older ones are given the opportunity to create a short film without long waiting for their next high budget movie.

D. SHORT FILMS – UP TO 80% (Difficult Films)

Short Films (including the Short Animated Film and Documentary Film) that meet the above criteria as mentioned in paragraph (9) can be subsidized for up to 80% of their budget.

- 13.** According to Article 8 of the TFEU, all State aid, including aid, other State aid, semi-governmental organizations and municipalities must not exceed the approved aid intensity in each category of film.

14. LANGUAGE

Applications for film funding shall be accepted only in the Greek language. In the event where the language of the script is other than Greek, then the producer should submit the synopsis of the film, detailed summary (treatment),

director's approach, scenario, and the application in the Greek language. Remaining information may be submitted in the English language. He/she should also state the language of the film, having in mind paragraphs 9 -11 of the Regulation on "General Conditions". Excluded are the cases of Turkish Cypriot directors/producers who may submit their applications in the English language.

- 15.** Applications shall be examined by the A.C.F. (APPENDIX I). For the approval of a Proposal and its promotion for final approval by the Competent Authority, the positive vote of the majority of the A.C.F. members is required.
- 16.** The A.C.F.'s recommendations, as approved by the Competent Authority (APPENDIX I), are final and irrevocable.
- 17.** The Competent Authority's decision is notified to all interested parties in writing, by letter sent by registered

mail and/or by fax. The letter must state the general rationale according to which the approval was granted.

- 18.** Interested parties are obliged to state in writing their intention to proceed with implementing the Proposal, within forty days from the written notification sent by the Ministry, taking into account that the commencement date of the deadline is the date the letter was sent by registered mail or was sent by fax. In the event of default the approval is cancelled automatically.
- 19.** Upon completion of the film, the Producer is obliged to submit a final DCP copy of the film in 35mm with the Cinematographic Archives. The cost must be included in the initial budget. If the Producer does not wish the film to be converted into a DCP, he/she must state the same beforehand. In such a case he/she is obliged to deposit a Master film in the form to be agreed upon in the contract.

- 20.** The following digital technology production qualities are acceptable: HD 2K, 4K as well as 35mm, 16mm and in general anything that may include professional equipment.
- 21.** The amount of the funding as provided by the Regulation is a desirable and intended amount directly dependent on the annual budget for the production of films and the State's obligations towards productions approved in previous years.
- 22.** Funding of a project entails the assignment to the Ministry of a proportion equal to the amount of funding on its ownership and intellectual property rights. 10% of the state's share is allocated to the Producer, provided that the aid as a whole does not exceed the permitted rate of aid from the EU.
- 23.** Approvals which are not materialised in accordance to this Regulation and time schedule

(except for special reasons) are automatically cancelled

- 24.** An applicant whose proposal has been rejected has the right to resubmit his/her proposal the following year, provided that he/she will demonstrate that he has made drastic modifications and improvements. He/she must also submit a letter from the Producer documenting such changes.
- 25.** Applicants are obliged to obtain and to be aware of the provisions of the Regulation on Funding before submitting an application for funding. The applications must comply with the provisions of the Regulation. The Secretary of the A.C.F. has the right to withdraw the proposals and not present the same to the Advisory Committee which do not comply with the requirements of the Regulation.

26. Filing of the application presupposes the acceptance of the Regulation in its entirety.

No applications shall be accepted for films which have already carried out shootings before the expiry of the deadline for the filing of the proposals referred to in the Announcement concerned.

SPECIAL CONDITIONS

1. A Proposal may not be submitted for any Funding Programme where the Producer of the project has contractual disputes with the Ministry for the production of another or a previous film, which was funded by the Ministry. Furthermore, a breach of the terms or conditions of the Contract, without the written approval of the MEC shall result in disqualification of the following proposal for funding until final settlement. Provided that the same persons may not present themselves either as Directors or Scriptwriters in any other Proposal.
2. Upon signing a contract, changes in key factors of the proposal (Scriptwriter, Director, Producer, Production Executive, Director of Photography and leading actors), important technical data (form and running time) including drastic changes to the script are possible only with the approval of the Ministry. The Ministry is obliged to decide within three weeks from the date of receiving the application (in the event that filming has already begun, the Ministry is obliged to respond within 10 days from receipt of the relevant application). The Ministry will not accept more than three changes to the data provided in the signed contract except in the event of force majeure.
3. The same Producer cannot submit more than four proposals in total before the Committee, either pending or as new proposals except in the case of a Short Film, Short Documentary, Scenario, or when one of his/her films is a Postproduction.
4. Provided that the four Proposals include those which originate from Production Agencies in which the Producer participates as a founding member and/or shareholder.
5. A Director / Producer (in a dual capacity) whose proposal in accordance to the Contract / Agreement signed with the State is still in progress, is not eligible to be funded for any other production as a Director / Producer except when the production is at the stage of Development and also when making a proposal as a Minor Co-producer.
6. A Feature film Director, funded by the Ministry is not entitled to participate as a Director in another proposal in the same category of films, before the project is completed (printed Zero copy/Master), in which he/she is taking part.
7. When approval is granted for funding the production of a film, for the contract to be signed between the Ministry and the Producer, the

entire production budget must be covered with lawfully acceptable documentation.

8. Once the Film is completed, the Producer submits the financial statement of the Production, drawn by a registered Auditing Office. This is compulsory and must be submitted with a projection (see article 21 “General Conditions”, points 18, 19), in the form the film has been shot for the Cinematographic Archives and of the material used as referred to in the signed contract. Payment of the final instalment is made once all submitted data is inspected by the Ministry. The Accounts Department of the Ministry of Education and Culture is obliged to respond within one month from submitting the receipts of payments for the production.
9. A Producer who has not proceeded to a Public Screening of the film in Cyprus within 2 years from the completion of the film

(Zero copy/Master) which was funded by the Ministry, shall not be entitled to submit a proposal.

10. As regards International Co-Produced Feature Films, the financial statement is drawn for the total cost of the Cypriot participation in the production. For the remaining Producers, a statement drawn by a registered Auditing firm of their own country confirming their participation or a confirmation from the State Operators will be acceptable.
11. The Ministry accepts the following remuneration for the main film factors: Producer’s Percentage: not exceeding 9%, Scriptwriter’s: not exceeding 3%, Directors” not exceeding 10%.
12. European producers may also be entitled to funding, if they are registered in a member-state of the European Union; their applications for funding may be submitted either

through a Cypriot production company or through a permanent branch or office they maintain in Cyprus. In the event where neither of the above applies, the applicant must establish a branch/office as soon as he/she is notified of the approval for aid.

13. Contracts are signed only with Production Agencies in all cases except in the case of a first-time Short Film (Feature, Animated Film and Documentary) funded by the Ministry.
14. Any previous collaboration of the Producer and / or the Director with the State, namely the consistency and the professionalism in the cooperation with the Ministry and the good image it has left in the audiovisual industry in the way the project was carried out and completed, will be considered a decisive advantage for the approval of their next film.

CHAPTER A'

FUNDING FOR SCRIPTWRITING

Short Fiction Film (up to 25')
Short Documentary
Feature Length Fiction Film
Feature Length Animated Film
Feature Length Documentary

INTRODUCTION

1. This Regulation reflects the State's desire to support Film Production from the initial stages to one of the most significant aspects of cinematographic creation which is Scriptwriting.
2. Funding is addressed to Producers and Scriptwriters who wish to proceed with writing the script of a film:
 - i. Feature length Fiction Film
 - ii. Feature length Animated film,
 - iii. Short length film (up to 25')
 - iv. Developing research in Feature or Short Length Documentaries.
3. The Basic Principle of this type of funding is to ensure that the scriptwriting proceeds to a film production.
4. Supporting Scriptwriting is recognised as part of the entire process in producing a Proposal. In the event that the scenario is approved for the production of a film, the amount granted by the Ministry for its script, is included in the entire amount approved for Production.
5. The application must be submitted through a Producer or a Production Company.
6. Eligible are those companies who have fulfilled all their contractual obligations arising from other agreements for the production of films from the programme concerned.
7. Preference is given to scenarios of local interest, or that favour European reality with particular interest in Cyprus.
8. A Producer / Production Company submitting the application must have experience in organising the production of motion picture films (Short, Long and Documentary, depending on the application submitted).
9. The signing of the Contract for scriptwriting must take place within forty days from the Producer's written response notifying the Ministry that he/she accepts the funding approval, otherwise the approval is cancelled automatically. An extension for the signing of the contract may only be granted if requested in writing to the Ministry, and in any event, it must not exceed two months.
10. The Producing Company/Producer is obliged to prove that he/she is supporting and organising the production for the benefit of the project as a whole and that is serving the creator's vision.
11. The Producers are urged to take into consideration the financial

realities as these are contained in this chapter when developing the scripts and the production budget.

PREREQUISITES

Candidates for scenario/scriptwriting funding must:

- i. For a Low Budget Feature Film (60-110'): have already written the script for a Feature Film shot into a film, and/or a script for two Short films shot into a film.
- ii. For a High Budget Feature Film (70-110'): have already written the script for at least one Feature Film on a theme that has been shot into a film, and which has been presented at an international Film Festival recognised by FIAPF.
- iii. For Feature Length Documentary (up to 50 – 60'): have already written the script for a Feature Length Documentary, shown on a Pancyprian television channel or a television channel abroad, or at least two scripts for documentaries with a 25-30 running time each, shown on a Pancyprian television channel or a television channel abroad.
- iv. For a Feature Length Documentary, (70-90'): have already written the script of a Feature Length Documentary, shown on a Pancyprian television channel or a television channel abroad. Participation of the previous project of the applicant in a major international Film Festival abroad shall be considered as an additional advantage.
- v. For Feature Animated Film, (70 – 90'): have already written the script for a Feature Animated Film, shown either at the International Film Festival outside Cyprus, and/or a television channel abroad.
- vi. For a Short Film (up to 15'): the scriptwriter must have participated in a Script Writing Seminar. In such a case the proposal need not be submitted through a Production Agency/Producer.
- vii. For a Short Film (Up to 25'): under the condition that the scriptwriter shall take part in a Script Writing Seminar. In such a case the proposal must be submitted through the Production Agency/ Producer.

CONTENT OF APPLICATION:

1. Participation statement signed by the Producer, where required in accordance to the above information.
2. A letter from the Scriptwriter whereby the Producer is authorised to proceed with the submission of the application for funding.
3. A synopsis of the subject (1 page)
4. A preliminary script, between 10-15 pages, (treatment) of the proposed script.
5. A 5 minute scene of the script in full development and dialogue (in the event of an animated film the scene must be in Story Board).
6. Curriculum Vitae of the Scriptwriter and Producer signing on behalf of the company, Company profile.
7. Detailed budget for the funding plan. The budget must include the remuneration of the Script Consultant and/or Scientific Consultant (in the case of the documentary) as well as the costs for attending seminars/workshops.
8. Comments from the Scriptwriter and Producer and, where possible, the Director.
9. Documentation for patenting the idea.
10. Planning of the participation in script writing workshops/ seminars, cooperation with Script Consultants.
11. Certificate of registration of the Production Company issued by the Registrar of Companies.
12. The Producer's previous work in a digital form (DVD or electronically).

SELECTION CRITERIA

1. Originality of the idea.
2. The possibility of developing the scenario of the idea.
3. The dynamic of the artistic adequacy and dramaturgy of the summary script submitted (treatment).
4. Scriptwriter's previous scriptwriting work.
5. Producer's previous work.
6. Capacity to cover financially a future Production Plan within the framework of the A.C.F.'s fund limits. Producers are urged to take into consideration the financial realities of this chapter in forming their scripts and the planning the budget of their production.
7. For documentaries the research plan and the consultants with which the producer and/or the director shall be cooperating with shall be taken into account.

STATE'S FUNDING PARTICIPATION/ PROCEDURE

A necessary prerequisite for the signing of the contract for Feature Films is the written confirmation that the Scriptwriter shall cooperate with the Script Editor or shall participate in at least one recognised script workshop (or with a scientific collaborator in the case of documentaries).

For Short Films a necessary prerequisite shall be participation in at least one script workshop. The Editor shall not have any intellectual property rights on the script.

1. Maximum Amount of Funding for Feature Fiction Film: up to €20.000.
2. Maximum Amount of Funding for a Feature Length Documentary: up to €7.000.
3. Maximum Amount of Funding for a Feature Length Animated Film: up to €13:500
4. Maximum Amount of Funding for Short Fiction Film and Short Documentary, up to €4.000 (*Remuneration of the Consultants and/or Workshops must be included in the budget*).
5. 40% of the approved amount shall be paid to the Producer upon signing the contract.
6. In the meantime, 30% of the approved amount shall be paid upon presenting evidence of the participation in workshops or for the remuneration of the Consultant.
7. 30% upon the script being perused by the A.C.F and upon submission/approval of the actual costs.
8. The maximum time to deliver a script is 12 months from the date of signing the contract. This time limit may be extended by three months, upon a decision of the A.C.F., under special circumstances.
9. If the script is not delivered to A.C.F. by the end of the expiry date, the Producer is obliged to immediately

return the amount of the first instalment (50%) in full which he/she received upon signing the agreement. The Consultant's fees and Script Workshop fees are excluded provided relevant payment receipts are provided.

SCRIPT EVALUATION

10. The A.C.F shall receive advice from the three-member Committee of Specialists (sub-committee) to evaluate the completed scripts which have been submitted. Members of the sub-committee shall be selected from the cinema world and approved (following a recommendation of the A.C.F.) by the Ministry. Their term shall be for a period of three years, with a right to be renewed for another term, The Script Sub-committee gives its opinion in writing to the A.C.F. within 2 months from receiving the script, using its own grading system and recommends:
- i. The approval of proposals which are deemed as significant
 - ii. Rejects scripts
 - iii. Further script processing and resubmitting the same at the next announcement.
- The responsibility for the final recommendation to be sent to the Competent Authority lies with the A.C.F.
11. In cases where the script is referred for further processing, A.C.F. shall request a meeting with the scriptwriter/director and producer of the film (if any), in order to have the opportunity to develop their proposal and to exchange views, with the purpose to clarify various aspects of the proposal.
12. Referral for further processing of the script does not necessarily mean further funding from the State.
13. Approval for the funding of the script is not binding upon the State in any way as regards the subsequent production stages.

CHAPTER B'

DEVELOPMENT OF A PRODUCTION PLAN

Fiction Feature Length Film
Animated Feature Length Film
Documentary Feature Length Film

INTRODUCTION

1. The aim of this programme is to support Production in completing its data, financial, artistic and technical, in order to enable it to be implemented.
2. To this end the Ministry is examining proposals submitted by Producers for funding the Development of a Production Plan, in accordance with the terms and specifications described below.
3. In order to assist the Producer in his/her effort to find co-producers and other collaborators, the A.C.F., when recommending to the Competent Authority to approve the application, it refers to the amount to be made available for the Development, including the total amount it recommends to fund the film.
4. The amount to be approved for the film production shall be released to the Producer if and when the Production File has been finalised, submitted and approved, as provided for in this chapter.
5. The scripts submitted under this Chapter and which have not already been examined by the Script Sub-committee (see Chapter A – Funding for Scriptwriting), shall be sent to the Sub-committee concerned, which shall examine them and shall give its opinion to A.C.F. before the previous consideration of the proposals. Feature Length Documentaries and Animated Films are excluded.
6. In order to rationalize and effectively meet the needs of production, funding in the Category of Feature Length Films is divided into High and Low Budget.
7. The application is made through the Production Agency.
8. The Producer, on submitting the application, shall select the category and the funding programme in which it wants to incorporate the Proposal. For example, in the case of a request for funding the Development of a Production Plan, the Producer must state the category of funding in which the film belongs (Low Cost, High Budget).
9. Where the Director is also the Producer he/she is obliged to appoint an Executive Producer upon submitting the application.

CONDITIONS FOR PARTICIPATION

1. Complete finalised script for a Fiction Film, complete finalised script skeleton for a Documentary, Complete finalised Story Board for Animation Film.
2. The Proposed Producer/ Production Agency:
 - i. In the event of funding a Low Budget Development Film, the Producer or the Production Agency and/or the Executive Producer submitting the Proposal must have a previous project in the field of organising and executing cinema productions, or a number of audiovisual fiction projects.
 - ii. In the event of funding a High Budget Development Film, the Producer or the Production Agency and/or the Executive Producer submitting the Proposal must have experience in organising international Co-productions.
3. The proposed Director must:
 - i. In the case of funding a Low Budget Feature Length Development film (60-110'): have already directed a Feature Length Fiction film or at least two Short Films (in addition to the films made during his/her studies). Each one of them must have been included in a recognised/major International Film Festival abroad, and/or have secured international distribution.
 - ii. In the case of funding a High Budget Feature Length Development film (60'-100'): have directed at least one Feature Length film with a story, which must have been screened in at least two recognised/international Film Festivals abroad, and/or to have secured international distribution.
 - iii. In the case of funding an Animated Development film (70'-90'): have directed two Short Animated films and/or one Feature Animated Film which has been screened in a recognised /major International Film Festival and/or has been screened on a Pancyprian television channel or television channel abroad.
 - iv. In the case of funding the Development of a Documentary Film up to 50'-60': have already directed a Short or

Feature Length Fiction film, and/or a Documentary 50-60' long, which has been screened in a Pancyprian television channel or television channel abroad or at least two Documentaries each one of them being 25' long, screened in a Pancyprian television channel or a television channel abroad or which has secured distribution in an on-line platform with a contract and/or has been screened at a major International Film Festival abroad.

- v. In the case of funding the Development of a Documentary Film 60-90' long: have already directed a Documentary 50-60' long, which has been screened on a Pancyprian television

channel or television channel abroad or which has secured distribution in an on-line platform with a contract and/or has been screened at a major International Film Festival abroad.

4. Where the Producer is also the Director of the film he/she must, on submitting the proposal, appoint an Executive Producer who has proven experience in the Production and execution of Feature Length films.
5. Signing of the contract for the Development must be effected within 2 months from the day that the Producer is notified in writing by the Ministry regarding the approval for the funding. In default of doing so, the approval shall be cancelled automatically.
6. The expenses recognised by the A.C.F. for the Development are

those related to attracting funding and co-producers, so that the Production budget is covered, and not those associated with the Production. In particular, they are the following: typewriting, photocopies, translations, travelling, office expenses relating to the particular plan, legal coverage, reperaz, photography, video shooting for the needs of the plan, participation in co-production workshops (pitching).

7. If the research on the Production possibilities does not come to fruition within 20 months from signing the contract with the State, the funding approval shall be revoked forthwith. An extension for the signing of the contract may only be granted if requested in writing, and the same is approved by the Competent Authority. An extension may only be granted once.

8. Film Duration

Low Budget Feature Length Film must not exceed a total of 7 weeks of filming (except where special reasons apply which must be specified in writing).

High Budget Feature Length Film must not exceed a total of 11 weeks of filming (except where special reasons apply which must be specified in writing) in a period not exceeding 18 months.

For the categories **Documentary and Feature Length Animation Film**, the duration of the filming and the technical process (for Animation Films), shall depend on the requirements of the Production but must not exceed 20 weeks.

CONTENT OF APPLICATION

1. A participation statement by the Producer (on a designated form).
2. Producer's curriculum vitae/ Company profile.
3. Certificate of Incorporation for the Production Agency.
4. Proposed Director's curriculum vitae.
5. Scriptwriter's curriculum vitae.
6. Brief summary of the proposed film (1-2 pages).
7. Detailed summary (treatment) up to 20 pages.
8. Director's approach.
9. Comprehensive final script for a Fiction film, comprehensive skeleton script for a Documentary, comprehensive Story Board for an Animated film. The A.C.F. acknowledges that a script may be improved in the process, but it does not accept drastic changes to the already approved script. Where certain changes/improvements have been made, the Producer is obliged to state the reasoning which led to

such changes. In the event where the Script has not been already considered by the script sub-committee, the script is sent to the A.C.F. for their opinion.

10. Producer's intention.
11. Sample of previous works of the Director, Producer and/or Executive Producer.
12. Design of Development plan for finding co-producers (actions to be undertaken by the Producer).
13. Proof of patenting the proposal (Copyright).
14. Budget for Developing a Production Plan, which will include expenses directly linked with the particular plan for the film.
15. Brief budget for the film.

SELECTION CRITERIA

1. The originality in the conception and development of the film's theme, the aesthetics, adequacy of the dramaturgy and narrative proficiency of the script and the overall artistic dynamic and completeness of the draft summary submitted as well as how interesting is the director's approach.
2. Director's filmography.
3. Producer's previous work.
4. Producer's professional experience, the adequacy and the capacities of the Production Agency and Executive Producer.
5. The Director's and/or Producer's and/or Script writer's previous participations in festivals and any awards.
6. The public's response to their previous films.
7. The previous good cooperation between the producer and director with the State, namely the consistency and professionalism with

which the cooperation with the Ministry was conducted and completed.

8. The Committee's opinion as to the proposal's artistic and commercial potential as regards commercial success.
9. Projected possibilities in completing the funding of the Production.

STATE'S FUNDING PARTICIPATION

1. The amount approved for the Production Development is the Ministry's participation in the total expenses paid by the Producer for the film's production and is documented through lawful receipts.

MAXIMUM AMOUNT OF PARTICIPATION

2. The Maximum amount that the Ministry participates in the funding of the Production Development Plan is:
 - i) Up to €35.000 for a **Low Budget film**, depending on the design and the requirements of the particular Proposal. The Producers are urged to take into consideration the financial realities as provided in this Chapter when developing their scripts and the production budget.
 - ii) Up to €45.000 for a **High Budget film**, depending on the design and the requirements of each particular Proposal.
 - iii) From €15.000 up to €35.000 for 50-60' long **Documentaries** or 60-90' long Documentaries

depending on the requirements of each particular Proposal.

- iv) Up to €35.000 for **Animation films** up to 90' long.

PROCEDURE

3. The amount approved for the Development of a Production Plan is payable to the Producer as follows:

- a) 50% of the State's participation is paid to the Producer immediately upon signing the relevant contract.
- b) 30% is paid once the costs receipts for the first payment are submitted.
- c) The remaining 20% of the amount is paid upon submitting the complete

Production File and upon presenting valid receipts from a reputable audit firm and after the same are inspected by the Ministry.

- 4. Producers who have not completed the Production Development Plan and/or do not submit the complete Production File are not obliged to return the amount they have received up to that time, provided that they shall present valid receipts justifying and covering the deposit they have received. Provided that, they shall not be entitled to the remaining amount; those Producers who do not present valid receipts are obliged to return the deposit.

COMPLETE PRODUCTION FILE

At the end of the research period and the completion of the production's data under the contract signed with the State and under the Terms of the present Regulation, the Producer shall submit to the Secretariat of the A.C.F. the complete Production File. The Secretariat examines the File in relation to the contract which was signed with the Producer and prepares a detailed report for the A.C.F.

The A.C.F. examines the Secretariat's report on the Complete Production File, submitted by the Producer and gives its opinion as to whether the file is complete or there are missing data.

A complete Production File is deemed to be a file that contains the following:

1. Script synopsis (up to two pages).
2. Complete Final Script for Fiction films and Documentaries and Final

- Story Board for Animated Films with dialogues.
3. Film duration (see Appendix III “Definitions”).
 4. Duration of filming (see page 22 point 8 “*Film Duration*” – sub-chapter “Conditions for Participation” in the Chapter Development of a Production Plan).
 5. Analytical full production budget which, inter alia, must include: a) production insurance costs, b) interpositive costs, a copy and whatever else may be required for a 35 mm copy. Blow up costs in internegative 35mm and a copy if the film is shot in 16 super, costs for the production of a final copy if filmed on digital technology (for the cinematographic archives), c) construction costs for a complete international band, and d) cinema trailer and television spot
 6. Documentation securing Intellectual Property Rights from the beneficiaries, in the event where the script is based on pre-existing work (literary). The Producer is also obliged to obtain the intellectual property rights on the script. Intellectual property rights on music and archive material (music, visual and audio) which is to be used for the film may not yet have been secured, however, the preparation for the submission of pre-agreement contracts and the contacts for obtaining them must have been done. Furthermore, the cost must have been budgeted.
 7. A.C.F. will not proceed to the payment of the 2nd installment of the Production Contract if no certification has been submitted for securing intellectual property rights (for cinematographic archives, musical, visual, audio and music).
 8. Documentation of action taken to secure the Script, and Production Contract for a cinematographic film between the Scriptwriter and the Producer.
 9. Contract for the Production of the Film signed between the Director and the Producer.
 10. Documentation for having secured funds for 100% of the film’s costs.
 11. Financial Plan.
 12. Agreements between Co-producers and Sponsors.
 13. Detailed distribution of expenses per Co-producer.
 14. Documentation for securing 50% of the budget of the film in cash, e.g.: cash money secured by television channels, from pre-sale rights or users abroad and Cyprus or other valid financial sources and financial organisations (a bank account confirmation must be submitted).
 15. The following shall be accepted for the purpose of covering the remaining 50%:
 - a. Sponsorship or participation in the expenses covering the costs for hiring equipment.
 - b. Work offers.
 - c. Capitalising the fees for Scriptwriters/Producer/Director/Actors/Director of Photography and other artists, up to 75% of the

- costs for International Co-productions or 100% in the case of a clearly Cypriot Production.
- d. Other sponsorships in cash or in kind (e.g. accommodation, meals etc.),
 - e. Contribution of own equipment or services.
- 16.** Statements and participation certificates of main contributors and actors' participation.
- 17.** Film promotion plan/ Agreements with distributors, pre-sales (shall be considered as an advantage).
- 18.** Curriculum Vitae for Director, Producer, Executive Producer, Scriptwriter, and Production Agency (if not already submitted).
- 19.** In the event where the film's sponsors include Cinema Centres, similar State Institutions or other Official EU Agency, a confirmation letter of their participation in the Production will be acceptable.
- 20.** Any other additional documentation the Producer may deem useful for his/her File.

- 21.** The File must be submitted in 9 copies. Copies shall not be returned.

TIME AND MANNER OF EVALUATION AND SELECTION

1. Applications for funding the Production Development Plan are examined together with all other applications in the same period (see General Conditions).
2. The complete Production File is examined when submitted and provided it was submitted within the prescribed time as specified in this Chapter (within 20 months from signing the agreement).

The A.C.F. shall invite Producers and Directors to a meeting before any decision is taken regarding their project.

CHAPTER C'

PRODUCTION

Low Budget Fiction Film
High Budget Fiction Film
Short Fiction Film
Documentary
Animated Film

1

LOW BUDGET FICTION FILM

■ Maximum Budget €850,000

INTRODUCTION

1. This type of funding is addressed to Producers who intend to organise the production of a Low Budget Fiction Film.
2. The purpose of the funding is to develop the art of Cypriot cinema through the creation of cinematographic works with significant artistic and technical specifications.
3. The Producers are urged to take into account the financial realities as these are provided in this chapter when developing their script and the production budget.

CONDITIONS FOR PARTICIPATION

1. The proposed Director must have directed at least one Feature Length Fiction film, or at least two Short films (in addition to the films made during his/her studies). The films must have been included in at least one recognised/major International Film Festival abroad each one, and/or have secured international distribution.
2. The Producer or the Production Agency and the Executive Producer submitting the proposal must have a previous experience in the field of organising and executing of cinematographic production or a number of audio-visual fiction films and/or documentaries.

STATE FINANCIAL PARTICIPATION / PROCEDURE

Signing of the contract is achieved:

- i. When the proposal has been financed for the Production Development Plan and the complete production file has been filed and approved.
- ii. When a proposal is submitted directly for funding the production, provided that the Script has been approved and that the Producer has submitted everything that is referred to in the Chapter on Development of Production Plan (Complete File).

SELECTION CRITERIA

1. The originality in the conception and development of the film's theme, adequacy of the script's aesthetics and dramaturgy, and the overall artistic dynamic and completeness of the draft summary submitted as well as the degree of interest in the director's approach.
2. The Producer's previous work.
3. The Producer's previous work and the professional adequacy of the Production Agency and the Executive Producer. The Director's previous work shall be a determining factor for the selection of the proposal.
4. Participations in festivals and awards for the previous works of the Director, the Executive Producer, and the Scriptwriter.
5. The public's response on their previous works.

6. Expected response from the public and film festivals.
7. The connection the film has with the market (distribution, television, vod, dvd, etc.)
8. The value of the artistic and technical potential of the production.
9. The actual and documented coverage of the financial plan of the production.

Maximum Budget €850,000

1. The Producer's, Director's and Scriptwriter's fees are included in this amount and may be capitalised.
2. The Ministry's participation up to €595.000 or by a percentage of up to 70%, whichever is the lowest.

The level of funding is approved in accordance with the actual requirements of the Production, the plan's strength, the budget itself,

support of the local and international market. This type of funding includes possible previous funding for scriptwriting and the stage of Development of a Production Plan. The Ministry's ownership percentage is based on the total amount.

Except where it is otherwise provided in the budget for the production of films, the payment of the amount shall be as follows:

30% upon signing the Production Agreement

50% when shootings commence

10% when postproduction commences.

10% when the finalised copy of the film is submitted with the Cinema Archive and after the accounting reconciliation (see Special Conditions, Point 8).

A change in the above percentages may be made in cooperation with the

producer, and only before the contract is signed.

2. HIGH BUDGET FICTION FILM

Maximum Budget: Open

INTRODUCTION

1. This type of funding is addressed to Producers who wish to produce High Budget films, for which resources are required from abroad. This Chapter aims to constitute the basis for the creation of films with high artistic and technical specifications.
2. Through this enhanced funding, a high financial specification film production may be developed, and enhances the possibility for co-productions with other countries.

CONDITIONS FOR PARTICIPATION

1. The Production Agency, the Producer and/or the Executive Producer must have experience in International Co-productions.

2. The Director must have directed at least one Feature film, which has been screened at an International Film Festival abroad, and/or have secured international distribution.
3. Securing important co-productions from abroad will count as an advantage for the proposal in relation to the other proposals submitted.

MINISTRY'S FINANCIAL PARTICIPATION / PROCEDURE

The contract may be signed when:

- i. The proposal has been financed for the Production Development Plan and the complete production file has been filed and approved.

- ii. A proposal is submitted directly for funding the production, provided that the Script has been approved and that the Producer has submitted all relevant data that is referred to in the Chapter on Development of Production Plan (Complete File).

SELECTION CRITERIA

1. The originality in the conception and development of the film's theme, the aesthetics, the adequacy of dramaturgy and the narrative proficiency of the script and the overall artistic dynamic and completeness of the draft summary submitted, as well as how interesting is the director's approach.
2. The Director's previous works.

3. The Producer's previous works and the professional adequacy of the Production Agency. The Director's previous work shall be a determining factor for the selection of the proposal.
4. Participations in festivals and awards for the previous works of the Director, the Executive Producer, and the Scriptwriter.
5. The response of the public on their previous works.
6. Expected response from the public.
7. The connection the film has with the market (distribution, television, vod, dvd, etc.)
8. The value of the artistic and technical potential of the production.
9. The actual and documented coverage of the financial plan of the production.

Maximum Budget: Open. Priority shall be given to films with a budget up to €2.500.000

1. The Producer's, Director's and Scriptwriter's fees are included in this amount and may be capitalised.
2. The Ministry's participation up to €850.000 or by a percentage of up to 70%, whichever is the lowest.

The amount of funding is approved in accordance with the actual requirements of the Production, the plan's strength, the budget itself, the support of the local and international market. In this funding, the possible script editing and the development stage are included. The Ministry's ownership rate is calculated in accordance to the total amount.

Except where the budget for the production of the films otherwise provides, payment of the amount shall be as follows:

30% upon signing the Production Agreement

50% one month before shooting commences

10% when Postproduction commences.

10% when the finalised copy of the film is submitted with the Cinema Archive and after the accounting reconciliation (see Special Conditions, Point 8).

A change in the above percentages may be made in cooperation with the producer, and only before the contract is signed.

3. SHORT FICTION FILM

INTRODUCTION

1. The main purpose of the program is to serve as a springboard for the emergence of new film scriptwriters, film directors and technicians, without precluding the possibility of funding directors who have proceeded with the production of feature films, to return to short film production.
2. Applications are accepted for films which:
 - A. Are not more than 15' long, and concern directors who are financed for their first-time Short Film over and above those filmed during their studies. The possibility to fund Directors who have proceeded with the Production of Feature films cannot be excluded.
 - B. Are not more than 25' long and concern directors who

are financed for their second Short film over and above those filmed during their studies. The possibility to fund Directors who have proceeded with the Production of Feature films cannot be excluded.

MAXIMUM AMOUNT OF FUNDING

Taking into account the intention to drastically aid new artists, the Ministry of Education and Culture finances a substantial part of the cost of the project by an amount of:

- A. Up to €30.000 for the first Short Film (up to 15'long) or with a percentage up to 80% whichever is the lowest (see also General Conditions, article 11).
- B. Up to €40.000 for the second Short Film (up to 25'long) or with a percentage up to 80% whichever is the lowest (see also General Conditions, article 11).

CONTENT OF THE PRODUCTION FILE

1. Participation statement (designated form).
2. Director's curriculum vitae.
3. Scriptwriter's curriculum vitae.
4. Brief summary (synopsis) of the script (1 page).
5. Complete script.
6. Director's text of intent.
7. Intellectual Property rights of the scriptwriter on the script.
8. Detailed full production budget which, inter alia, must include: a) production insurance costs, b) interpositive costs, a copy and anything else which may be required for a 35 mm copy. Blow up costs in internegative 35mm and a copy if the

if the film is shot in 16 super, costs for the production of a final copy if filmed on digital technology (for the cinematographic archives), c) construction costs for a complete international band, and d) cinema trailer and television spot.

9. Documentation for securing Intellectual Property Rights from the beneficiaries. This includes cases where the script is based on pre-existing work (literary etc.). The Producer is also obliged to obtain the intellectual property rights on the script. Intellectual property rights on music and archive material (music, visual and audio) to be used in the film.
10. Contract between the Producer and the Director (in the case of a 2nd Short Film).
11. In any case, where there is no Producer, an Executive Producer must be appointed.

12. Design and time schedule of the production.
13. Previous audio-visual works of the Director.

The file may also include the following optional data:

- Letters for the participation of key contributors
- Letters for the participation of actors
- Letters indicating interest for funding the production

SELECTION CRITERIA

1. Originality of the conception
2. Development of the script as regards dramaturgy.
3. The Directors' and Producer's skill to develop their idea in a restricted film duration.

4. Director's adequacy as regards dramaturgy, the degree of interest of the director's approach.
5. Director's previous work.
6. Proper financial planning for the implementation of the project.

PROCEDURE FOR THE APPROVAL OF PROPOSALS

1. The A.C.F. upon examining the script and the Production File decides on the amount of the funding. If the proposal is subsequently approved by the Competent Authority, the producer shall be notified in writing of the amount of funding and the rationale for its approval.
2. A contract is signed within four months from the date that the Producer notifies the Ministry in writing that he/she accepts the funding.

3. A prerequisite for the approval is the full and documented coverage of the production budget, the submission of co-production contracts, agreements with actors and contributing factors of the film etc.

4. Payment of the last installment is effected after the presentation of the film to the A.C.F, and upon submitting all material which is deliverable together with the final copy of the film as provided in the contract and upon presenting receipts of the production costs from a reputable audit firm, which receipts will later be inspected by the Ministry of Education and Culture.

5. Contracts are signed with Production Agencies in all cases except the first Short Film (15') funded by the Ministry.

4

SHORT, MEDIUM AND FEATURE LENGTH DOCUMENTARIES

INTRODUCTION

1. Documentaries are a category extremely important for preserving the memory and culture of peoples, as well as for disseminating them around the world. At the same time films, through their wide variety of expressions, reveal, inform, give food for thought and makes the viewer aware of the current concerns of humanity. Through this program, the State, by recognizing the importance of documentaries, enhances the same with a number of programs.
2. The following Chapter describes the procedure for the funding of short, medium and feature length films:
3. Proposals must be submitted by the Producer or the Production Agency.

4. The themes of the films must be linked to Cyprus.

MAXIMUM AMOUNT OF FUNDING

- i. Ministry's participation in Short Length Documentaries: The duration of the film must not exceed 30'. The aid amounts to €50.000 or a percentage 50%, whichever of the two is the lowest. The film's duration must not exceed 30'. Funding amounts to €50.000 or a percentage up to 50% whichever of the two is the lowest.
- ii. Ministry's participation in Medium Length Documentaries: The duration of the film must not exceed 50-60'. The aid amounts to €100.000 or a percentage 50%, whichever of the two is the lowest. *Proposals for medium length documentaries may be submitted to the Development of Production Plan programme (see Chapter Development of Production Plan).*
- iii. Ministry's participation in Feature Length Documentaries: The duration of the film must not exceed

60- 90'. The aid amounts to €100.000 or a percentage 50%, whichever of the two is the lowest. The film's duration must not exceed 30'. *Proposals for medium length documentaries may be submitted to the Development of Production Plan programme (see Chapter Development of Production Plan).*

The final funding shall depend on the production data and the form in which it will be filmed.

CONTENT OF PARTICIPATION FILE

A. For films up to 30':

1. Participation statement (designated form).
2. Director's curriculum vitae
3. Producer's curriculum vitae
4. Scriptwriter's curriculum vitae.
5. Brief summary (synopsis) of the script (1 page).
6. Complete script plan.
7. Director's text of intent.
8. Scriptwriter's Intellectual Property Rights on the script.
9. Detailed full production budget which, inter alia, must include: a) production insurance costs, b) interpositive costs, a copy and whatever else may be required for a 35 mm copy, blow up costs in internegative 35mm and a copy if the film is shot in 16 super, costs for the production of a final copy if filmed on digital technology (for the cinematographic archives), c)

construction costs for a complete international band, and d) cinema trailer and television spot.

10. Documentation securing Intellectual Property Rights from the beneficiaries. The Producer is obliged to obtain the intellectual property rights on the script, music and archive material (music, visual and audio) to be used in the film.
11. Planning and time schedule for the completion of the production.
12. Previous audio-visual work of the Director
13. Previous work of the Producer or Executive Producer for feature length documentaries.
14. Production contract between the Producer, the Scriptwriter and the Director.

The file may also include the following optional data:

- Letters for the participation of key contributors
- Letters for the participation of actors

- Letters indicating interest for funding the production

B. For Medium and Feature Length Documentaries:

All information and documents required in the Chapter Development of Production Plan for a Feature Length Film (Complete Production File).

SELECTION CRITERIA

1. The degree of interest, the originality and the film treatment of the theme.
2. Adequacy of dramaturgy.
3. Aesthetical value of proposed film.
4. Director's previous work.
5. Professional adequacy of the Producer and the capabilities of the Production Agency.
6. Proper financial planning for the project's implementation.

PROCEDURE FOR THE APPROVAL OF PROPOSALS

1. Once the A.C.F. examines the Script and the Production File, it will decide on the amount of funding. If the proposal is subsequently approved by the Competent Authority, the Producer is notified in writing as to the amount of the funding and the reasoning behind the approval.
2. A contract is signed within four months from the date when the Producer or the Director notifies the Ministry in writing that he/she accepts the funding and under the condition and documentation that the budget of the production is fully covered, that co-production contracts are submitted, that agreements have been signed with the key contributors of the film etc.
3. Payment of the last instalment is effected when the film is presented to the A.C.F., once deliverable material, as provided under the

contract, a final copy of the project's film is submitted and upon presenting valid receipts for the production costs from a reputable audit firm, which later shall be inspected by the Ministry of Education and Culture.

5. ANIMATED FILMS

INTRODUCTION

1. This Chapter reflects the implementation of the Ministry's policy in the field of Animated Short or Feature Length Film.
2. Its purpose is to develop Animated Films through the creation of projects with significant artistic, technical and financial specifications.
3. Proposals are accepted for the production of Feature Length Animated Film up to 60' and up to 90' long, and projects of Short Films the total duration of which does not exceed 15 minutes.
4. Contracts shall be signed at Production Agencies in all cases except in the case of a Short Animated Film which is funded by the Ministry.

MAXIMUM AMOUNT OF FUNDING

- i. Short Animated Film up to 15': The Ministry's participation in short Animated films up to 15' long is up to €40.000 or a percentage of 80%, whichever of the two is the lowest.
- ii. Feature Length Animated Film: The Ministry's participation for Animated Films up to 90' long amounts to €340.000 or up to 70%, when it falls under the "difficult films" category, and up to 50% when it is an international film, whichever is the lowest. This amount includes funding for the Development of a Production Plan, Scriptwriting and the creation of a short pilot film*.

* Proposals for Feature Length Animated Films (90') may be classified under the Scriptwriting Programme (see Chapter A - Funding for Scriptwriting) and the

Development of a Production Plan (see Chapter B – Development of a Production Plan).

The exact amount for funding the production of approved plans for films, shall be specified by A.C.F. according to the film's requirements. The following shall be evaluated:

- i. The dynamics of the plan.
- ii. The possibilities of the same being implemented.
- iii. Support from the local market.
- iv. Production requirements.
- v. Techniques to be used.
- vi. Budget
- vii. Director's experience in the field of animation.
- viii. Producer's experience, in particular in the field of animation.

PARTICIPATION CONDITIONS

1. The producer must have financially covered 20% of his/her production budget in order to be able to submit an application for the production of a Feature Length Animated Film.
2. 20% of the budget's coverage may be attained in one of the following ways or a combination thereof.
 - i. By capitalising the fees for the Scriptwriter, Director and Producer, if the beneficiaries so wish;
 - ii. By cash, secured either with the participation of a television channel or by pre-selling rights to users of the project, either in Cyprus or abroad, or from another reliable source of funding;
 - iii. Through the participation of funding organisations;
 - iv. Contribution of equipment or provision of services;

v. Sponsorships.

3. The Director of the proposed film must have experience in directing Animated Films.

CONTENT OF PARTICIPATION FILE

A) The Participation file for Short Animated Films must contain the following:

1. Participation statement (designated form).
2. Description of technique used.
3. Director's curriculum vitae.
4. Scriptwriter's curriculum vitae.
5. Brief summary (synopsis) of the script (1 page).
6. Complete story-board and description of the technique to be used.
7. Scriptwriter's Intellectual Property Rights on the script, music and archive material (musical, visual and acoustic) to be used in the film.
8. Detailed full production budget which, inter alia, must include: a) production insurance costs, b) interpositive costs, a copy and whatever else which may be required for a 35 mm copy, blow up

costs in internegative 35mm and a copy if the film is shot in 16 super, costs for the production of a final copy if filmed on digital technology (for the cinematographic archives), c) construction costs for a complete international band, and d) cinema trailer and television spot.

9. Documentation for securing Intellectual Property Rights from the beneficiaries in the case where the script is based on a pre-existing film (literary etc.).
10. Planning and time schedule for the completion of the production.
11. Documentation for the ability to cover 20% of the budget.
12. Previous audio-visual work of the Director.
13. Previous work of the Producer or Executive Producer for feature length animated films.

The file may also include the following optional data:

- Letters for the participation of key contributors

- Letters for the participation of actors
- Letters indicating interest for funding the production

B) For Feature Length Animated Films (duration up to 90'): the Participation File must contain: all documents referred to in the Chapter on the Development of a Production Plan for a Feature Length Film (Complete Production file).

SELECTION CRITERIA

1. Adequacy of the aesthetics and dramaturgy of the script and storyboard including the originality of the conception of the idea.
2. The degree of interest in the technique to be used by the director.
3. Professional experience of the producer (in the proposals for Feature Length Films) in general and in particular in the field of animated films.
4. Professional experience of the Director.
5. Aesthetic value of the proposed project.
6. The value of the artistic and technical dynamics of the proposal.
7. The proper implementation of the financial planning of the film.
8. The extent of the link between the proposed animated film with the market (distribution, television, video etc.).

PROCEDURE FOR THE APPROVAL OF PROPOSALS

1. The A.C.F. upon considering the script and / or the Story Board including the Production File, shall decide on the amount of the funding.
2. If the proposal is subsequently approved by the Competent Authority, the producer shall be notified in writing of the amount of funding and the rationale for its approval.
3. A contract shall be signed within four months from the date that the Producer notifies the Ministry in writing of the acceptance of the funding, on the condition that he/she can prove that he/she can fully cover the budget of the production, and that he/she has submitted the agreements containing the key contributors of the film etc.

4. Payment of the last installment is effected after the presentation and inspection of the film by the A.C.F. and upon submitting all material which is deliverable as provided in the contract, a final copy of the film in the form which has been agreed upon and upon presenting receipts of the production costs from a reputable audit firm, which will be later inspected by the Ministry of Education and Culture.

CHAPTER D'

PROMOTION / PRESENTATION / DISTRIBUTION

For all film categories

INTRODUCTION

1. Given the problems that Cypriot films face in being promoted in the commercial network, the Ministry of Education and Culture is developing this program to reinforce the efforts of the producer and the director to be promoted in cinemas.
2. Despite the short history of Cypriot cinema, Cypriot creators have proven their value with participations in many festivals and by receiving a large number of awards. A serious organization in the presentation of a film at a festival is essential, and this is the reason why the State supports such participations in the best possible manner, as these are also a great opportunity to promote our country.
3. Once the production of the film which has been funded by the Ministry of Education and Culture is completed, the Ministry shall accept proposals from producers (directors in the case of first-time Short Film)

for the promotion of their films in the commercial network, their participation in Film Festivals and important film markets.

4. The proposals may be submitted immediately after film's presentation to the A.C.F. and the submission of a copy for the Archives.

PROMOTION / DISTRIBUTION OF FILMS

The maximum intensity for the total aid for the promotion, distribution and participation of films in a Festival, is specified as the same intensity for aid granted or which could have been granted for the production of the film according to the category in which it has been classified (non-difficult films, difficult films).

This Chapter specifies maximum amounts of aid intensity, which must not

exceed in total the prescribed aid intensities per film category.

FEATURE LENGTH FILMS / PARTICIPATING IN FESTIVALS

(Fiction, Animated Film and Documentary)

SUPPORT IN THE PROMOTION

As a first step, the A.C.F. may recommend covering part of the expenses for:

- i. A copy with English subtitles
- ii. A professional telecine with colour correction to create a DVD
- iii. A number of digital disks of the film
- iv. A number of digital disks with English subtitles

- v. A poster in Greek and one foreign language
- vi. Leaflets in Greek and one foreign language
- vii. The production DEMO and the DVD's demo
- viii. Photographs and transparencies
- ix. DCP screener, in case this is requested at the Festivals

The MEC sponsors up to 80% of the costs for the above works and in any case no more than the amount of €17.000. Part of the material must be submitted to the Ministry for the purpose of promoting the films.

SUPPORT IN THE DISTRIBUTION

1. In cases where a production has secured a Commercial Presentation in a cinema hall in Cyprus, the Ministry will subsidise the producer for promoting the film with an amount up to €34.000 which may amount to 100% of the costs of the expenses when it comes to a “difficult” film and from 50% to 60% for the remaining cases.
2. Out of the above amount €1.700 is granted to the producer for each cinema hall, per week. The remaining amount is granted for radio and television advertisements, creation of a website and for promoting the film through advertising on the radio, television, the press and the internet.
3. The Ministry will subsidise overseas distribution costs, depending on its participation in the film's production, on the submitted budget for distribution costs. In any event, regardless of the provision in the budget for distribution costs, the maximum participation of the Ministry shall not exceed €17.000.
4. Before the Commercial Presentation of the film an agreement is signed between the Producer and the Ministry, which specifies the final percentage of commercial exploitation rights of the state on the film (as this will be demonstrated from the final documented costs of the film), the duration of its presentation in the commercial network and/or the cinema halls in which it shall be presented, the ticket cost etc.

PARTICIPATING IN FILM FESTIVALS

1. Upon delivery of the final copy to the Ministry, the Producer submits a schedule for the submission of a request to participate in various International Film Festivals. The Ministry grants up to € 1000 for postal services and the submission of the subscription fees to the festivals that will be co-decided with the Producer.
2. Thereafter, upon presenting an official invitation from a festival and a detailed cost budget, a proposal for financial support of the Producer is forwarded for approval, in order to best present the film at the festivals where the film will be screened.
3. The costs of printing a festive copy (with subtitles if necessary), additional information material (where the already printed material is not sufficient or needs to be

printed in another language), costs for the reception for journalists and advertising for the film at the Festival, travel and accommodation for two of the film's contributors. Support may be modified according to the significance of the festival and the programme under which the film is classified.

4. 70% of the approval is granted immediately and the remaining balance upon submitting the necessary documentation for the costs to the Ministry.
5. In the event where a film is selected by the European Film Academy or the American Film Academy Awards (Oscars) the Ministry may cover additional expenses.

EXPENSES FOR THE PROMOTION & DISTRIBUTION OF SHORT FICTION FILMS AND ANIMATED FILMS

The intensity of the aid for the promotion, distribution and the participation of films at a Festival, may amount up to 80% for difficult films.

PROMOTION EXPENSES

1. Upon delivery of the final copy to the Ministry, the Producer submits a schedule for the submission of a request to participate in various International Film Festivals. The Ministry grants up to € 500 for postal services and the submission of the subscription fees to the festivals that will be co-decided with the Producer.
2. Thereafter, following the presentation of the film to the A.C.F., the same shall consider the proposals and shall recommend the funding of tasks for its screening in festivals, cinema halls or its promotion to the distribution network. Funding may cover:
 - i. Design and printing of the poster
 - ii. Design and printing or promotional material
 - iii. Translation and reproduction of DVD's with subtitles
 - iv. Reproduction of photos and transparencies
 - v. Integration of subtitles in the master copy of the film
3. Funding must not exceed €8.500 for both Short Film categories. Part of the material shall be submitted to the Ministry.
4. In the event of the film participating in a recognised Festival, the Ministry may cover any additional presentation costs (e.g. airfares and part of the accommodation for the director or other film contributor, printing of a copy for the festival or other material if required). Funding shall not exceed 80% of the costs.

DISTRIBUTION EXPENSES

In the event where the film secures its presentation in a cinema hall, the Ministry will cover 80% of the costs for printing the necessary copies.

Furthermore, the Ministry will pay an amount of €3.500, for the presentation of each Short Film for a period of three months in order to encourage cinema owners to project Cypriot short films, before the screening of a Feature Length Film.

EXPENSES FOR THE PROMOTION OF A DOCUMENTARY

The intensity of the aid for the promotion, distribution and the participation of difficult films (documentaries) at a Festival, may amount up to 80%.

1. Upon delivery of the final copy to the Ministry, the Producer submits a schedule for the submission of a request to participate in various International Film Festivals. The Ministry grants up to € 1.000 for postal services and the submission of the subscription fees to the festivals that will be co-decided with the Producer.
2. Thereafter, following the presentation of the film to the A.C.F., the same shall consider the proposals and shall recommend the funding of tasks for its screening in festivals, cinema halls or its promotion to the distribution network .Funding may cover:
 - i. Design and printing of the poster
 - ii. Design and printing or promotional material
 - iii. Translation and reproduction of DVD's with subtitles
 - iv. Reproduction of photos and transparencies
 - v. Integration of subtitles in the master copy of the film
3. Funding must not exceed €8.500 for both a Short and Medium Length Documentary, and whatever is provided for a Feature Length Fiction Film and a Feature Length Documentary (60-90'). Part of the material shall be submitted to the Ministry.
4. In the event of the film participating in a recognised Festival, the Ministry may cover any additional presentation costs (e.g. airfares and part of the accommodation for the director or other film contributor, printing of a copy for the festival or any other material if required). Funding must not exceed 80% of the costs. All the aforementioned shall depend on the form in which the film is shot and form of presentation.

CHAPTER E'

MINORITY PARTICIPATION OF A CYPRIOT CO-PRODUCER

INTRODUCTION

The programme refers exclusively to the category of Feature Length Fiction Films, of a 60' maximum duration.

The following qualify for participation:

- A. International Co-production Works, from member-states of the Council of Europe or countries with which Cyprus has signed a bilateral agreement, in which the Cypriot co-producer shall participate with a minimum percentage of 10%.**
- B. Co-productions with third countries who have ratified the European Convention on Cinematographic Co-productions , where the Cypriot Co-producer ay participate with a minimum percentage of 5%.**

The aforementioned cinematographic works, in line with the European Convention on Cinematographic Co-productions or other interstate

conventions, **are also entitled to the benefits granted to Cypriot films**, granted in accordance to the procedure specified in such conventions.

The application is submitted to the Cultural Services (Cinema Department) through a Cypriot Producer **three to four times** a year, during the months of February, May, July and November, always depending on the budgetary capabilities for financing Cinematographic works. The number of calls as well as the dates for submitting the Proposals shall be announced in the daily press and the webpage of the Cultural Services of the Ministry of Education within the month of January of each year.

Requests shall be examined by the competent Committee, which shall notify the results within 2 months from the date of submission.

GENERAL TERMS

1. The application is submitted by the Cypriot Co-producer.
2. The application must meet at least two of the eligible costs (cultural test) criteria.
3. The maximum State participation in cash may amount up to €120.000 and cannot exceed 25% of the total budget of the film.
4. The maximum State participation shall be determined according the budgetary capabilities for Funding for Film Production and shall be verified at the beginning of each year in the relevant announcement of the Ministry of Education and Culture.

5. The amount approved shall be spent in Cyprus, in the following manner:
 - 100% for the provision of services
 - 140% for shootings which will be carried out in Cyprus
6. The number of Cypriot contributors participating in the film's production or the days of filming in Cyprus shall constitute the basic prerequisite according to which the intensity of aid shall be determined. In the case of shootings taking place in Cyprus, the minimum duration provided is one week.
7. Eligible expenses are defined as those which are related to the production, post-production, purchase of other services **within Cyprus** such as: accommodation meals (restaurants, catering etc.), travelling, permits for filming, remuneration for Cypriot contributors, constructions, hiring costs for decoration purposes

(props), hiring machinery and equipment, airfares and shipping costs (paid to a Cypriot company registered in Cyprus), hiring costumes, telecommunications, professional services and postproduction services and/or other audiovisual services from local service providing companies as well as local technical and artistic staff.

8. Following approval of the application, the Cypriot producer shall sign a relevant contract with the State which will prescribe the percentage of ownership rights of the Cypriot Group (Producer, other co-producers and the MEC) and the percentage of exploitation rights on each one of the films.

ELIGIBILITY CRITERIA (Cultural Test)

The proposal shall be deemed as eligible if satisfying at least 2 of the eligibility criteria set out below:

1. The main theme of the script must be based on contemporary cultural, social, political, historical, religious and mythological issues relating to Cypriot, European or International Civilization.
2. At least one of the key characters of the film must be related to the Cyprus, European or International Civilization.
3. The script or the main theme of the script must be based on an adaptation of an existing significant Cyprus, European or International literary work.
4. The script or the main theme of the film must focus on Cypriot, European or International tradition and customs.

5. The film must reflect important Cyprus, European or International Values such as cultural diversity, equality, minority rights, tolerance, ecological protection, family and cultural traditions.

Applications blatantly advocating violence, racism, pornography, that offend the religious beliefs of people, contain libel and encourage the use of substance SHALL NOT BE EXAMINED.

PROCEDURE

If two (2) of the above criteria are met, the Cypriot Producer submits the relevant file to the Ministry of Education and Culture prior to the filming of the film and within one of the three submission periods announced by the MEC. The Folder should contain the following documents:

1. Complete Final Script for Fiction films and Documentaries, final Story board for Animated films. If the above are not filmed in the Greek language they must be submitted with an English translation.
2. Synopsis, detailed summary (treatment) of the film, director's and producer's note translated into the Greek language.
3. Documentation for securing the Property Rights from the beneficiaries, in the event where the script is based on an existing work (literary).
4. Evidence of act securing the property rights of the script.
5. Securing the property rights of the script.
6. Contract for the production of a film between the Scriptwriter and the Producer.
7. Contract for the production of a film between the Director and the main (delicate) producer of the film.
8. Sample of previous work of the Director or the Production Agency.
9. Documentation for securing at least 50% of the total costs of the film.
10. Contracts with Co-producers and Sponsors. In the event where the film's sponsors include Cinema Centres, similar State Institutions or Other Official EU Agency. A letter confirming their participation in the Production is acceptable.
11. Financial Planning of the Production.
12. Full analysis of the financial schedule of the production budget per Group.
13. Detailed, complete budget of the Production which, inter alia, must include a) production costs in Cyprus, b) production costs of a final copy (35mm or DCP if digital technology is used) for the Cinema Archives.
14. Detailed distribution of expenses paid in Cyprus (type and amount of expenditure).
15. Co-production pre-agreement which will evidence the participation percentage of the Cypriot producer and his/her participation in the film's ownership (copyright).
16. List of Cypriot contributors and technicians who will take part in the production.

17. Any additional information which the Producers deems fit to submit for upgrading his/her file.

18. The application must be submitted in 3 copies and electronically in a PDF format. Copies shall not be returned.

If the Proposal is approved by the MEC, a Co-production contract is signed between the State and the Cypriot Producer.

In the event where the Proposal is rejected, the rationale behind the rejection shall be notified to the Cypriot Producer.

SELECTION CRITERIA

1. The originality in the conception and development of the film's theme, adequacy of the aesthetics and dramaturgy, the narrative proficiency of the script and the overall artistic dynamic and completeness of the draft summary submitted as well as

how interesting is the director's approach.

2. Filmography of the Director.
3. The Scriptwriter's work to date.
4. Professional experience of all Co-producers.
5. Adequacy and the capabilities of the Cypriot Production Agency.
6. The Director's and/or Producer's and/or Scriptwriter's previous participations in festivals and any awards received.
7. The response of the public to their previous films.
8. The previous good cooperation between the producer and director with the State, namely the consistency and professionalism with which the cooperation with the Ministry was conducted and completed.
9. Previous participation of the Cypriot Producer in minority co-productions with other countries shall be considered as an advantage during the evaluation which will be carried out by the MEC.

10. The Committee's opinion as to the proposal's artistic and commercial potential as regards commercial success.

11. Securing the film's distribution.
12. Projected possibilities in completing the funding of the Production.
13. Total shooting days in Cyprus with a minimum of seven (7) days (one week).
14. Minimum participation of Cypriot technicians or artistic contributors who will be employed in the said production.

STATE'S FINANCIAL PARTICIPATION

The amount of funding is determined by the MEC according to each case, depending on the level of contribution of the Cypriot participation in artistic and technical staff, the number of shootings which will take place in Cyprus and

documented costs in Cyprus (workshops, post-production, equipment etc.) always in conjunction with the Selection Criteria.

Maximum state participation in cash may amount to €120.000 and cannot exceed 25% of the total budget of the film.

1. The funding amount must be spent in Cyprus, in the following manner:
 - 100% for the provision of services
 - 140% for shootings which will take place in Cyprus.
2. Payment as part of the funding to the Cypriot Producer commences only if the total amount of the remaining financing has been secured.
3. The accounting rate of return to the State shall concern 100% of the amount of funding for provision of

services and 140% for shootings which take place in Cyprus.

4. Funding shall be granted in three stages:
 - A. **Advance:** 10% upon signing the contract with the Cypriot Producer.
 - B. **First day of shootings:** 50%.
 - C. **Film Completion:** 40% after the audit of expenses incurred in Cyprus, based on legal receipts in the name of the Cypriot co-producer for the specific project, and upon their final approval by the Cultural Services Accounts Department. In addition, the Cypriot Producer must submit a digital projection copy for the Archives of the Cultural Services with Greek subtitles or / digital subtitle file with Greek subtitles.

The Government reserves the rights for ownership and exploitation of the film

through the Cypriot Producer (Cypriot Group).

APPENDICES

Bodies:

1. The Minister of Education and Culture is the Competent Authority which decides and approves the recommendations made by the Advisory Committee on Film in funding films.
2. The responsibility for the development of a film production and the implementation of this regulation lies with the Ministry of Education and Culture since 2004 (Council of Ministers Decision no.56.767). The Ministry of Education and Culture is responsible for presiding over the A.C.F., operating the Secretarial, drafting the minutes and submitting the A.C.F.'s recommendations to the Ministerial Committee on Film. Furthermore, it is also responsible for signing contracts with producers, supervising and safekeeping the contracts, and in general for

managing all correspondence with the producers and other interested parties and contributors. Finally, it has the right to approve an amount of up to €60.000 for every proposal without referral to the Ministerial Committee on Film.

3. The Ministerial committee on Film, set up in 1994 by decision of the Council of Ministers (no. 40.698) is the competent advisory body and is responsible, on the basis of their know-how and experience on films, to examine scripts and proposals and to advise the Government (the Ministerial Committee on Film) as to the promotion of the film productions.

By decisions of the Council of Ministers the members of the Advisory Committee on Film are the following:

- A Representative of the Cultural Services (President)
- A Representative of the Ministry of Finance
- A Representative of the Cyprus Union of Directors
- A Representative of the Cyprus Broadcasting Corporation
- A Representative of the Ministry of Energy, Commerce, Industry and Tourism
- Four honorary members appointed by the Council of Ministers.

The members of the Advisory Committee on Film (A.C.F.) are appointed by the Council of Ministers, upon the recommendation of the Minister of Education and Culture, for a term of four

years, with a right to renew the said term for an additional four year period.

No person may participate on the A.C.F. whose proposal has been approved and is in production, or who has any contractual or financial matters pending with the Ministry of Education and Culture concerning films that have been approved by the Ministerial Committee on Film. Furthermore, the provisions of the General Principles of Administrative Law must be met. The decisions of the A.C.F. are taken on a simple majority vote. In the event of equality of votes, the Chairman of the Committee has a casting vote.

Definitions:

For the purposes of this Regulation:

1. Programme means the framework of technical, artistic and financial characteristics which must be met by the film proposal plans, so that their producers are entitled to submit an application for funding.
2. Film means an audio-visual film, for the production of which the process of chemical or electronic recording of images has been used for the purpose of presenting the film to the public.
3. Feature Fiction Film means a film between 90 to 110' long.
4. Short Film means a film whose length does not exceed 15'.
5. Animated Film means a Short Film (up to 15') or a Feature Length Film (from 60 to 90') which narrates stories through the art of animation.
6. Documentary means a Short Film (from 25 -30') or a Feature Length Film (from 50 to 60' or up to 90'), whose main characteristic is the representation of reality.
7. Script Development is the program under which the Producer and / or Scriptwriter is supported in his effort to write and improve the script.
8. Development of Production Plan (international term: development) is the programme under which the Producer is enhanced in order to achieve the financial and other conditions required to commence the production of the film.
9. Difficult Films: as these are defined in the General Terms/ Paragraph 10.
10. Producer is the legal person who has obtained the intellectual property rights on the film to be produced, raises the funds required and bears the financial and organizational responsibility to complete his/her production.
11. Co-producer is the natural or legal person who participates in the production of the film by financing the same and obtains part of the property rights of the film.
12. Authorised Producer – in the case of co-producers- is the natural or legal person who has full contractual authority by all co-producers of a film to organise and complete his/her production.
13. Financial contributor is the natural or legal person who financially supports the production of a film, obtains property rights or exploitation rights, but has no organizational responsibility during the production phase.
14. Executive Producer is the natural or legal person to whom the Producer assigns the execution of a planned production of a film and who is remunerated by him/her, has no property rights on any film and is not responsible for financing the production.
15. Production Agency or Producer is Film Production or other audio-visual material company registered in Cyprus which has proven production experience in filming or audio-visual work, over and above the individual productions of its shareholders.