Screen Support Scheme

Guidelines and Regulations 2024



ISSUED: AUGUST 2024*

*The version issued in August 2024 supersedes the version issued in July 2024.

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ALLOCATIONS

SESSION BUDGET	MAXIMUM ELIGIBLE AMOUNT PER PROJECT
€140,000	€25,000

CO-FUNDING	DISBURSEMENT
The fund may cover up to 100% of total project costs	70% upon signing of the grant agreement 30% following approval of the final report

TIMEFRAMES

DEADLINE	RESULTS	ELIGIBLE TIMEFRAME
24th September 2024	21st November 2024	22nd November 2024 – 22nd November 2026



1. Introduction

The aim of the Screen Support Scheme – Pre-Production – Strand 1: Screenwriting is to support the pre-production (screenwriting stage) of cultural and creative audiovisual productions in Malta. This Strand provides financial support for the writing and related research of a script (or shooting outlines/treatment, in the case of documentaries) with the involvement of an experienced scriptwriter/s (or director/writer, in the case of creative documentaries). New scriptwriters may be considered on condition that they are accompanied by a script consultant (confirmed by a letter of intent (LOI)).

2. Definitions

Applicant:

• An applicant may be an Individual audiovisual professional as defined or an Independent Audiovisual Entity. Applicants cannot be employees of Arts Council Malta or involved in the management of the *Screen Support Scheme – Pre-Production – Strand 1: Screenwriting.*

The applicant's NACE code must be one of the following:

- \circ $\;$ J59.11 Motion picture, video, and TV programme production activities
- \circ J59.12 Motion picture, video, and TV programme post-production activities
- o J59.13 Motion picture, video, and TV programme distribution activities
- o R90.03 Artistic creation

Application:

• An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Audiovisual production/project:

• An audiovisual production/project may be a work of fiction, documentary, or animation.

Beneficiary:

• The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the scheme. The beneficiary of the grant may not be changed throughout the duration of the funded project and until the final disbursement is issued. The disbursement of the grant may only be issued on behalf of the beneficiary. The beneficiary is responsible to ensure that any VAT invoices are issued on behalf of the beneficiary and include the beneficiary's VAT information.

Chain of title:

• All of the agreements/documentation that evidences the sequence of transfers of title to a work.

Documentary:

• A production that takes a real-life subject as its starting point but requires substantial original writing and sets out an author's and/or director's point of view from a historical and/or



contemporary perspective. A documentary should contain a certain "timeless" element and should contain significant original filming (unless it is a documentary based on archival or an animation) and does not merely convey information. A documentary with a length of 52 minutes or more shall be considered a feature-length work for the purposes of these guidelines.

Eligibility:

• Applications will first be screened in terms of technical and artistic eligibility by the fund administrators and managers. Proposals which are not considered eligible in terms of the set criteria will not be processed further and will not undergo evaluation.

Evaluation:

• Applications deemed compliant and eligible are evaluated against the criteria established in these guidelines by the appointed evaluators.

Evaluators:

• Arts Council Malta appoints an evaluation team for each call under the scheme. The Arts Council may appoint both local and foreign professionals in the film sector.

Feature-length films:

• May be a work of fiction, documentary, or animation, of a minimum duration of 70 minutes in the case of fiction and 52 minutes in the case of documentary.

Independent Audiovisual Entity:

 An Independent Audiovisual Entity is a juridical person duly registered in Malta, as a limited liability company, a partnership en Commandite or that establishes a branch or place of business in Malta under Part XI Chapter 1 of the Companies Act (CAP 386 of the Laws of Malta), and whose principal activity consists in developing and producing audiovisual works and is a tax resident in Malta. It is considered independent if its origins are independent of the state, or public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies. The entity's stocks or shares may not belong to the state, public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies.

Individual audiovisual professionals

• Natural persons applying for a grant must be Maltese citizens or be in possession of a Malta permanent residence permit, or of a Maltese citizenship certificate, or of a Maltese passport. Natural persons must be audiovisual professionals active in the eligible NACE activities.

Management and administration:

• Arts Council Malta is responsible for the management of this scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these guidelines.

Mandatory documentation:

• Any document(s) needed to support your proposal and aid the evaluation of your project.

Maximum funding:

• There is a maximum funding allocation per project, with a ceiling amount of €25,000. This will be decided on a case-by-case basis depending on the project.



Mood board:

• A visual tool intended to communicate the filmic concepts of a particular project. It is a wellthought-out and planned arrangement of images, materials, pieces of text, etc. that is intended to evoke or project a particular style or tonality.

Period of eligibility of costs:

• The period of eligibility of costs is established on page 2 of this document and will be indicated in the Agreement.

Producer:

• The person responsible for finding and launching an audiovisual project. This includes being responsible for the creative, financial, and managerial aspects of the making of a film or TV production. A producer oversees all elements of pre-production, production, and post-production, right up to release.

Public Cultural Organisations:

• Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, Malta International Contemporary Arts Space, Festivals Malta, and the National Agency for Performing Arts.

Resubmitted proposals:

 A project/proposal that was submitted through a previous call can be re-submitted only if the project/proposal has undergone considerable changes or if new elements have been developed since the last submission. On re-submission, the applicant is to present a report/statement clearly highlighting the changes that have been effected.

Start of works:

• Means the earlier of either the commencement of the period of eligibility of costs or the signing of a legally binding agreement for the acquisition of any products or services relating to the project, that makes the investment irreversible. Preparatory works are not considered start of works.

Treatment:

• A detailed summary which normally lays out the structure of the whole story and communicates the world, the characters, important scenes, sequences, and story points; working as a roadmap for the reader, producer and writer.

Undertaking:

An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.



Undertaking in difficulty:

- Undertaking in difficulty means an undertaking in respect of which at least one of the following circumstances occurs:
 - In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, "limited liability company" refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU of the European Parliament and of the Council and "share capital" includes, where relevant, any share premium.
 - In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, "a company where at least some members have unlimited liability for the debt of the company" refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
 - Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
 - Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
 - $\circ~$ In the case of an undertaking that is not an SME, where, for the past two years:
 - the undertaking's book debt to equity ratio has been greater than 7.5; and
 - the undertaking's EBITDA interest coverage ratio has been below 1.0.

3. Eligibility

Projects will first be screened in terms of eligibility. Ineligible proposals in terms of the points below will not be processed further and will not undergo evaluation.

Maximum eligible timeframe to implement the project: 24 months

3.1 Who can apply?

The grant is open to undertakings (for which assistance will be granted in line with the General Block Exemption Regulation), within the meaning of Article 107 TFEU [kindly refer to Section 9 of these guidelines for additional information].

Applicants must qualify as the following:

- An Independent Audiovisual Entity as defined in these guidelines;
- An Individual audiovisual professionals as defined in these guidelines

Furthermore, applicants must meet all the following criteria:



- At least one directorship or the majority shareholding of the juridical entity must be ultimately held by Maltese citizens or persons who hold a permanent residence status in Malta.
- By submitting the application, the applicant declares to be in possession of a complete chain of title. The chain of title documents shall be required only if the project is supported and prior to the signing of the support agreement. If the chain of title is incomplete, ACM will have the right to withdraw any support given.
- Be registered with the applicable regulating body at the time of submission of their applications.
- Be in possession of a VAT registration certificate.
- Where applicable, be the originator of the project, script or treatment or have majority rights (unless the applicant is a minority co-producer) relating to the project for which support is being requested.
- In the case of inexperienced scriptwriters, they need to be accompanied by an experienced script consultant/editor (confirmed by LOI).
- Submit a complete application under this Strand before the start of works.

In the case of more than one producer, the application must be filled by one entity. The producers participating in the co-production must reach an agreement on this point and include a joint declaration which should be included in the application.

3.2 Who cannot apply?

- Applicants shall be excluded from applying for support if they, or, where applicable, the shareholders or persons having powers of representation or decision-making:
 - i. have been convicted by final judgement of any of the following offences: participation in a criminal organisation, corruption, fraud, money laundering, child labour, human trafficking;
 - ii. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind; or
 - iii. have been convicted by final judgement of serious professional misconduct or any other offence relating to professional integrity.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:
 - a copy of their Maltese ID card (including both front and back); or Maltese residence permit; or Maltese citizenship certificate; or Maltese passport.
- Applicants who do not qualify under the definition of applicant for this specific Strand.
- Beneficiaries who have not honoured previous funding commitments.
- Entities who have not presented the required annual documentation to the Malta Business Registry.
- Organisations/activities receiving local public funds through established government line-votes.



3.3 What costs can be covered?¹

Screen Support Scheme – Pre-Production – Strand 1: Screenwriting may cover up to 100% of the below indicated eligible costs (up to a maximum of €25,000, whichever is the lowest).

The eligible direct costs are identifiable as specific costs directly linked to the pre-production of the work such as:

- Acquisition of necessary rights (including , archive materials);
- Animation, design and illustration, in the case of an animation project;
- Fees for consultation, research and advice from professionals regarding, for example, legal, marketing, impact, editing and other related professional consulting;
- Contingency, not exceeding 10% of the total cost;
- Directors', Researchers' and Producers' fees where applicable;
- Non-recoverable value added tax (VAT), where applicable;
- Other fees directly related to project implementation (including but not limited to mentors, service providers, participation fees, linguistic fees, etc.);
- Labour costs (above the line and below the line): Personnel and talent working under an employment contract with the applicant and assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration or, where applicable, those of the applicant's partners;
- Production costs for a concept trailer/animatic (maximum 30 seconds), and costs to prepare an animation pack, in the case of an animation project;
- Production costs of a teaser/trailer/sequence of research material (maximum 7 minutes) to demonstrate the visual approach, style and tone, in the case of a documentary;
- Script consultant;
- Script workshop;
- Economy accommodation;
- Subscriptions to virtual platforms or other digital services where relevant (such as scriptwriting software, etc.);
- Translation from Maltese to any other European language;
- Travel (economy class), including, but not limited to, public transport, air travel, car/vehicle rental;
- Travel VISA;
- Writer/s' fee/s (if the Writer is the same person as the Director, only one fee will be eligible).

In the case of in-house services, a signed declaration by the director of the juridical entity together with evidence of possession of equipment (if applicable) shall suffice.

For the purposes of calculating aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary. Aid intensity limits to support schemes falling under pre-

¹ All costs will be considered only if these resources are not already covered/cannot be covered by the applicants or supporting/partner organisations.



production support may be up to 100% of the eligible costs. However, if the resulting script or project is made into an audiovisual work, the pre-production costs shall be incorporated in the overall budget and taken into account when calculating the aid intensity.

For more information about presenting your budget, refer to our General Budget Guidelines, available <u>here</u>.

3.4 What costs cannot be covered?

- Costs already covered by public cultural organisations, or another public funding programme managed or co-managed by Arts Council Malta or other public agency, government department, or Ministry;
- Costs declared by the beneficiary and covered by another grant of the Government of Malta or the European Union: financial support awarded under this scheme may be awarded in addition to financial support granted by other granting authorities (under multiple support schemes), provided that this is not explicitly excluded by the guidelines or regulations of the other granting authorities and provided that such cumulative support does not surpass the actual costs incurred and the intensity aid limits, as applicable;
- Costs incurred before submission of application;
- Costs incurred before the start of works;
- Costs incurred after the completion of the project or the expiration of the eligible timeframe;
- Costs incurred by a co-producer who will not be a co-beneficiary of an agreement in case of selection;
- Costs that are not directly linked to the project;
- Debt and debt service charges;
- Doubtful debts;
- Excessive or reckless expenditure;
- Exchange losses;
- Fuel expenses;
- Fees for services provided by public cultural organisations or other public agency, government department, or Ministry;
- Indirect producers' fees and contingencies;
- Interest owed;
- Production costs (excluding teaser/trailer/sequence/animatic of research material for documentaries and animation projects);
- Provisions for losses or debts;
- Purchase of equipment of any kind;
- Purchase of land and real estate;
- Recoverable VAT, where applicable;
- Retroactive costs;
- Return on capital;
- Service charges arising on leases, hire purchase agreements, depreciation, loan charges, debit interest, charges for financial transactions, foreign exchange commissions and losses, fines, financial penalties and expenses of litigation, bad debts and other purely financial expenses;
- Subsistence, catering, and hospitality.



All costs eligible for funding under this scheme must be necessary and reasonable for the completion of the project and consistent with the principles of sound financial management and accounting practices.

3.5 What applications are eligible for support?

Projects must satisfy at least ONE of the following criteria:

- Producer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Writer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Director/s is a Maltese citizen or holds a permanent residence status in Malta.

Screenwriting for the following fiction, animation and documentary projects are eligible:

- Feature-length intended for theatrical, festivals, TV, VOD;
- TV series (Pilot Episode; Subsequent Episodes individually or as an entire season; entire Mini-Series - applies to new series but also to new seasons of an existing series).

Moreover, support shall only be granted to Audiovisual Projects that are cultural products. Projects shall be considered cultural products if they:

- make a contribution to Maltese and/or European culture; or
- make a contribution to the development of the film and TV industry in Malta and/or Europe; or
- be considered cultural in light of their content.

The evaluators shall verify the above in accordance with the parameters of eligibility as established by the ACM for each of the above cultural criteria. Projects declared non-cultural shall not be awarded any aid. Click <u>here</u> to download the Cultural Test, applicants are required to fill it in and upload it in the appropriate field when submitting the application through the ACM's CRM.

3.6 What applications are not eligible?

- Activities that are not related to culture, arts, and the creative industries;
- Activities whose objective is fundraising or political propaganda;
- Advertising, corporate, training, and/or promotional films or infomercials;
- Applications submitted after noon (12:00) of the respective day of deadline;
- Applications submitted by public entities with or without a line vote;
- Applications which do not qualify under the definition of audiovisual production/project for this specific Strand;
- Incomplete applications (refer to application checklist in section 5.1);
- Initiatives eligible under Festivals Malta, Annual Cultural Activities Scheme, VOPS, National Book Council, Valletta Cultural Agency, or Malta Arts Scholarships;
- Projects including and/or promoting political propaganda;
- Projects of which costs entirely fall outside the eligible timeframe;
- Projects promoting violence, racism, and pornographic content and content violating the Maltese Constitution;



- Projects that would have been finished before the result is notified to applicant(s);
- Reality shows, magazine and lifestyle programmes, culture programmes, discussion programmes, quizzes and game shows, advertorials, light entertainment, short films;
- Resubmitted proposal that does not include considerable changes or new elements when compared with a previous submission or that does not include a report/statement clearly highlighting the changes that have been effected.

Any other activity that may be developed outside the scope of Screen Support Scheme – Pre-Production – Strand 1: Screenwriting is not eligible for support.

Applicants can submit more than one application under the same call, however, only one of the applications can be funded per strand.

4. Evaluation

The Evaluation Board will base its decision upon the following criteria:

4.1 Criterion 1: Concept (45 marks)

This criterion considers the quality, strength and originality of the concept and script/treatment and the potential to reach both national and international audiences. The following points will be assessed:

- Concept and script/treatment show originality (theme, perspective, visual approach); (15 marks)
- Vision and style; (15 marks)
- Strong proposal with potential to reach both national and international audiences. (15 marks)

4.2 Criterion 2: Project Management (15 marks)

This criterion considers the level of commitment and preparation prior to the proposal as well as the proposed plan to deliver and achieve the aims targeted. The following points will be assessed:

- The relevant experience of the creative team (including at international level); (5 marks)
- The production capacity and willingness to successfully produce the proposed work; (5 marks)
- Financial and legal reputation of the creative team. (5 marks)

4.3 Criterion 3: Audience Engagement and Circulation Potential (25 marks)

This criterion considers the engagement and the development of established and new audiences. Engagement refers to the role, the nature of involvement, and the experience offered to the audience.

Circulation potential refers to potential for festival participation (and recognition) and international distribution, as well as the potential to stimulate interest from co-producers, festivals, markets, sales agents, distributors and/or broadcasters/platforms. The following points will be assessed:



- Define the target audiences and explain how these audiences will be reached. Provide an outline of the marketing, PR, and communications plan as deemed relevant to the proposed programme/s of activities. Explain the reasons for the chosen methods. (10 marks)
- Screening, Festival and Market potential; the level of distribution in different territories Letter(s) of interest from distributors and other industry players. (10 marks)
- Letter(s) of interest or signed contracts for co-development or co-production, if available. (5 marks).

4.4 Criterion 4: Budget and Financing Plan (15 marks)

This criterion considers the quality and viability (industry standard) of the budget and the financing plan (where applicable). The following points will be assessed:

- Provide a clear budget breakdown including expenses directly related to the proposed work.
 (8 marks)
- Provide a financing plan (overall quality and viability of the financing strategy; level of confirmed financing evidenced by signed agreements and/or letters of intent). (7 marks)

5. Submitting the application

Follow these steps to apply:

- 1. Read these guidelines and regulations very carefully.
- 2. Check whether your proposal can be addressed by this scheme.
- 3. Press the <u>link</u> that will take you to the online application system.
- 4. If you do not have a profile, create your profile with Arts Council Malta by clicking on Register and filling in the details.
- 5. From the open calls section, select the online application for the Strand you intend to apply for.
- 6. Follow the instructions step by step. Fill in all required information from the online application, including the budget, and attach the supporting documentation.
- 7. Submit the application. You should be receiving an automatic acknowledgement by the system. If you do not receive such a notification, contact us on <u>applyforfunds@artscouncil.mt</u>.

Applicants are required to register a profile on the ACM's CRM at least two weeks prior to the deadline of the call.

In case of difficulty, or if you would like to consult us regarding this fund, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00, or send an email on <u>fundinfo@artscouncil.mt</u>.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed and evaluated.

Prior to the application deadline, Arts Council Malta representatives will not be checking your application forms. It is solely at Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation following the call deadline.



Upon submission of the application, applicants accept that should the application be awarded funding, the name, the project title, and the amount awarded can be published by Arts Council Malta.

A decision on funding will be made on the strength of the submitted information and supporting documents.

Applications handed in after 12.00 (noon) of the respective deadline cannot be accepted.

5.1 Checklist

In order to be complete, applications must be accompanied by:

- A copy of the VAT certificate of registration;
- The most recent good standing certificate of registration This document is renewed annually by the Malta Business Registry and is proof of compliance (in the case of an entity);
- Bio notes of key contributors to the project;
- A declaration that the applicant does not qualify as an undertaking in difficulty as defined in these guidelines; Copy of applicant (or applicant's majority shareholder or director)'s Maltese ID card, Maltese residence permit, Maltese citizenship certificate or Maltese passport;
- Creative project package:
 - i. Logline
 - ii. Synopsis
 - iii. Treatment (maximum 10 pages)
 - iv. Writers' statement of intent (maximum 1 page)
 - v. Brief description of target audience and intended strategy at the end of the process (pitching etc.) (maximum 1 page)
 - vi. Sequence of research material / footage (maximum 5 minutes) / teaser / trailer and/or materials concerning the main characters (if applicable), or at least photos to demonstrate the intended visual approach, style and tone in the case of documentary projects
- Budget (summary top sheet and detailed clearly indicating the net amount and the VAT amount);
- Financing plan (if budget exceeds maximum support);
- Applications with a co-development/co-production agreement in place will only be considered if the applicant can provide the duly signed co-development/co-production agreement or dealmemo. The agreement or deal-memo should include industry standard clauses including, amongst other things, clauses which regulate the sharing of rights and the creative input of each producer.

Optional documentation (if available):

- Letter(s) of intent, deal-memos or agreements from financing partners and buyers
- Co-development and/or co-production agreement(s), deal-memos or letter(s) of interest
- Previous works
- Director's notes
- Producer's statement
- Brief Description of the characters
- Mood board



Files up to 5MB may be attached directly in the application form, larger files may be provided as a link that does not expire and does not require identity verification.

6. Evaluation process

This scheme is competitive and will be evaluated by a panel of sectoral experts according to established criteria.

As specified above, each criterion is allocated a number of specific marks. In order to be considered for funding, projects have to obtain an average of at least 60 marks.

Nevertheless, the evaluation session and funding decisions depend on the quality of the submitted proposals and on the availability of the funds. Therefore, obtaining 60 marks or more does not automatically mean that you will be awarded the funds. The Evaluation Board may decide not to allocate the total funds available for a particular call if the proposed projects do not reach the required level in terms of the fund criteria.

Eligible applications will be assessed by an evaluation team selected by the Council on the basis of their professional experience. Arts Council Malta will select evaluators on the basis of their independent and professional experience. The evaluators will present an assessment on each of the proposed eligible projects, indicating the relevant ratings awarded.

6.1 Communication of results

On the day indicated on page 2, you will receive your result notification from Arts Council Malta. Together with the covering letter, we will also attach a copy of the evaluation form, indicating the reasons and marks leading to the decision of the Evaluation Board, according to the fund criteria.

The order of classification of the projects, according to the marks allocated by the evaluators, will be published online. Only the names of the successful projects will be published; in the case of projects which have not been awarded any funds, only their reference number will be published.

If you have any difficulties concerning your results, you should email us on <u>fundinfo@artscouncil.mt</u> within five (5) days of receiving your funding decision.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received by the Senior Fund Executive, Fund Manager and Evaluators will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful projects will be included in the grant agreement.



7. Project implementation and monitoring

Beneficiaries must provide full documentation to support the application and budget plan within 6 months from receipt of the notification letter. For duly justified reasons, the Council may extend such a period of validity. The Council will accept a variation of up to 10% from the proposed total cost. The contingency indicated in the budget plan will support any variations from the proposed total cost. Under no circumstances will the Council be in a position to increase the grant awarded.

Upon provision and approval of the above mandatory documentation, a contract specifying the conditions of the fund will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

70% of the total amount allocated by the Evaluation Board will be processed after the signing of the contract. The final payment of 30% after the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use the logo of Arts Council Malta on all related material and specify that the project was supported by the grant as follows: **Supported by Arts Council Malta**, in all marketing, PR, and printed material. Arts Council Malta shall also be accorded a screen credit. The grant received must be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the nature of the project take place during implementation. Changes cannot be implemented unless approval is received. It is the responsibility of the Beneficiary to justify changes, such changes shall not be withheld if these are customarily accepted in the international film industry.

Arts Council Malta reserves the right to revise or withhold the final payment if the change in the project is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.

Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes, both during the implementation of the project as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that estimated in the signed agreement.

7.1 Report

At the end of your project, you will be required to submit a detailed report highlighting the work carried out and the project achievements, by no later than 3 months after your project is concluded. Arts Council Malta will provide a template for your report.

You will also be required to present:

• a final updated budget together with all supporting documents including VAT invoices and/or fiscal receipts and a declaration of remuneration in the case of in-house services;



- a script, where,
 - In the case of creative documentaries, the treatment (and/or possibly teaser/trailer/sequence of research material) will suffice,
 - In the case of a TV Series, if the applicant applied for an entire season or entire mini-series, detailed episode outlines will suffice;
- a revised synopsis;
- a revised writer's statement of intent;
- a series Bible (Log line, story in detail (full season), character description, tone and structure of world) this is only applicable in the case of a series.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.

8. Complaints procedure

Filing a complaint will not affect your chances of receiving support from Arts Council Malta in the future. All complaints will be treated with confidentiality.

8.1 Grounds for complaints

Applicants can make a complaint regarding procedural anomalies and irregularities during the submission and evaluation process in terms of the procedures stipulated in these guidelines and regulations. Complaints cannot be made concerning:

- Arts Council Malta's or the government's policies and procedures, and/or,
- The merits of the application in terms of the criteria stipulated in these guidelines and regulations.

Only applicants may file complaints concerning their project.

8.2 Filing a complaint

Complaints must be made in writing and must be as clear as possible. The complaint must state the grounds and the reasons for the complaint, providing a detailed explanation and justification supported by relevant documentation or testimonials as to why the complainant deems that irregularities were committed in the procedure/s stipulated in these guidelines and regulations or in standard good governance rules and regulations governing the public sector. The decision at the end of the complaint process will be final. Complaints need to be made to the Director of Funding and Strategy, Arts Council Malta within five (5) working days of receipt of your funding decision. You will normally receive a reply to your complaint within ten (10) working days.

In case you are not satisfied with the reply, Arts Council Malta will convene a board that will discuss your complaint further. If you approach our complaints procedure, you are consequently accepting that we can use information about your project to address the complaint. The decision of the board is final.



9. Applicability of State aid rules

This scheme is applicable to:

- Independent Audiovisual Entities as defined in these guidelines.
- Individual audiovisual professionals as defined in these guidelines.

For the purposes of State aid rules, such applicants are deemed as undertakings that carry out an economic activity within the meaning of Article 107 TFEU. The terms and conditions set out in these guidelines will be implemented in line with Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs, by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, by Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, by Commission Regulation (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as may be subsequently amended [hereinafter referred to as the General Block Exemption Regulation].

This scheme is not applicable to the following:

- a. Activities listed in Article 1 (2), (3), (4) and (5) of the General Block Exemption Regulation [where applicable].
- b. Undertakings in difficulty are in principle excluded from the scope of this scheme, unless the undertaking was not in difficulty on 31 December 2019 but became an undertaking in difficulty in the period from 1 January 2020 to 31 December 2021.

Furthermore, assistance may not be granted if the aid is:

- a. Related to export activities towards third countries or member states, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network, or to other current expenditure linked to export activity.
- b. Contingent upon the use of domestic in preference to imported goods.
- c. In favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.



For the purposes of calculating the aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

Rules on cumulation of aid will be in line with Article 8 of the General Block Exemption Regulation.

Need advice?

ACM offers pre-submission consultation services to help you secure support for your project. We are there every step of the way. We can help you determine whether the core concept and profile of your project are in line with the targeted support mechanism and provide feedback on the way you plan to present your project. Plan ahead and get in touch with us at least four weeks before the submission deadline to make the best use of our services.

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or to send us an email on <u>fundinfo@artscouncil.mt</u>.

Guidelines updated on 05th August 2024.

Screen Support Scheme Pre-Production Strand 2: Development

Guidelines and Regulations 2024



ISSUED: AUGUST 2024*

*The version issued in August 2024 supersedes the version issued in July 2024.



ALLOCATIONS

SESSION BUDGET	MAXIMUM ELIGIBLE AMOUNT PER PROJECT
€200,000	€50,000

CO-FUNDING	DISBURSEMENT
The scheme may cover up to 100% of total project costs.	70% upon signing of the grant agreement. 30% following approval of the final report.

TIMEFRAMES

DEADLINE	RESULTS	ELIGIBLE TIMEFRAME
24th September 2024	21st November 2024	for Fiction 22nd November 2024 – 22nd November 2027 for Documentaries 22nd November 2024 – 22nd November 2029



1. Introduction

The aim of the Screen Support Scheme – Pre-Production – Strand 2: Development is to support the development stage of cultural and creative audiovisual productions in Malta. This includes the writing and/or further development of the script (or treatment/shooting outlines in the case of creative documentaries), research work (including archives in case of creative documentaries), casting/selection of key creative members and all the steps (e.g. working on budget, defining the target audience and market) carried out by the team to bring the project to a stage where it can be presented to potential partners and industry players with a view to financing the project. This may therefore include participation at markets, pitching sessions and festivals but also the production of visual materials which will enhance the pitching package. The Strand will be limited to the following productions that meet the eligible cultural criteria: animation, documentaries, and fiction.

2. Definitions

Applicant:

• An applicant must be an Independent Audiovisual Entity. Applicants cannot be employees of Arts Council Malta or involved in the management of the *Screen Support Scheme – Pre-Production – Strand 2: Development.*

The applicant's NACE code must be one of the following:

- o J59.11 Motion picture, video, and TV programme production activities
- o J59.12 Motion picture, video, and TV programme post-production activities
- o J59.13 Motion picture, video, and TV programme distribution activities

Application:

• An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Beneficiary:

• The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the scheme. The beneficiary of the grant may not be changed throughout the duration of the funded project and until the final disbursement is issued. The disbursement of the grant may only be issued on behalf of the beneficiary. The beneficiary is responsible to ensure that any VAT invoices are issued on behalf of the beneficiary and include the beneficiary's VAT information.

Audiovisual production/project:

• An audiovisual production/project may be a work of fiction, documentary, or animation.

Chain of title:

• All of the agreements/documentation that evidences the sequence of transfers of title to a work.



Documentary:

• A production that takes a real-life subject as its starting point but requires substantial original writing and sets out an author's and/or director's point of view from a historical and/or contemporary perspective. A documentary should contain a certain "timeless" element and should contain significant original filming (unless it is a documentary based on archival or an animation) and does not merely convey information. A documentary with a length of 52 minutes or more shall be considered a feature-length work for the purposes of these guidelines.

Eligibility:

• Applications will first be screened in terms of technical and artistic eligibility by the fund administrators and managers. Proposals which are not considered eligible in terms of the set criteria will not be processed further and will not undergo evaluation.

Evaluation:

• Applications deemed compliant and eligible are evaluated against the criteria established in these guidelines by the appointed evaluators.

Evaluators:

• Arts Council Malta appoints an evaluation team for each call under the scheme. The Arts Council may appoint both local and foreign professionals in the film sector.

Feature-length films:

• May be a work of fiction, documentary, or animation, of a minimum duration of 70 minutes in the case of fiction and 52 minutes in the case of documentary.

Independent Audiovisual Entity:

 An Independent Audiovisual Entity is a juridical person duly registered in Malta, as a limited liability company, a partnership en Commandite or that establishes a branch or place of business in Malta under Part XI Chapter 1 of the Companies Act (CAP 386 of the Laws of Malta), and whose principal activity consists in developing and producing audiovisual works and is tax resident in Malta. It is considered independent if its origins are independent of the state, or public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies. The entity's stocks or shares may not belong to the state, public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies.

Management and administration:

• Arts Council Malta is responsible for the management of this scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these guidelines.

Mandatory documentation:

• Any document(s) needed to support your proposal and aid the evaluation of your project.

Maximum funding:

• There is a maximum funding allocation per project, with a ceiling amount of €50,000. This will be decided on a case-by-case basis depending on the project.



Mood board:

• A visual tool intended to communicate the filmic concepts of a particular project. It is a wellthought-out and planned arrangement of images, materials, pieces of text, etc. that is intended to evoke or project a particular style or tonality.

Period of eligibility of costs:

• The period of eligibility of costs is established on page 2 of this document and will be indicated in the Agreement.

Producer:

• The person responsible for finding and launching an audiovisual project. This includes being responsible for the creative, financial, and managerial aspects of the making of a film or TV production. A producer oversees all elements of pre-production, production, and post-production, right up to release.

Public Cultural Organisations:

 Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, Malta International Contemporary Arts Space, Festivals Malta, and the National Agency for Performing Arts.

Resubmitted proposals

 A project/proposal that was submitted through a previous call can be re-submitted only if the project/proposal has undergone considerable changes or if new elements have been developed since the last submission. On re-submission, the applicant is to present a report/statement clearly highlighting the changes that have been effected.

Start of works:

• This will be defined in the coming days.

Treatment:

• A detailed summary which normally lays out the structure of the whole story and communicates the world, the characters, important scenes, sequences, and story points; working as a roadmap for the reader, producer and writer.

Undertaking:

• An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.

Undertaking in difficulty:

• Undertaking in difficulty means an undertaking in respect of which at least one of the following circumstances occurs:



- o In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, "limited liability company" refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU of the European Parliament and of the Council and "share capital" includes, where relevant, any share premium.
- o In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, "a company where at least some members have unlimited liability for the debt of the company" refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
- o Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
- o Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
- o In the case of an undertaking that is not an SME, where, for the past two years:
 - the undertaking's book debt to equity ratio has been greater than 7.5; and
 - the undertaking's EBITDA interest coverage ratio has been below 1.0.

3. Eligibility

Projects will first be screened in terms of eligibility. Ineligible proposals in terms of the points below will not be processed further and will not undergo evaluation.

Maximum eligible timeframe to implement the project:

For fiction, 36 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2027.

For documentaries, 60 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2029.



3.1 Who can apply?

The grant is open to undertakings (for which assistance will be granted in line with the General Block Exemption Regulation), within the meaning of Article 107 TFEU [kindly refer to Section 9 of these guidelines for additional information].

Applicants must qualify as the following:

• Independent Audiovisual Entities as defined in these guidelines.

Furthermore, applicants must meet all the following criteria:

- At least one directorship or the majority shareholding of the juridical entity must be ultimately held by Maltese citizens or persons who hold a permanent residence status in Malta.
- Be registered with the applicable regulating body at the time of submission of their applications.
- Be in possession of a VAT registration certificate.
- Where applicable, be the originator of the project, script or treatment or have majority rights (unless the applicant is a minority co-producer) relating to the project for which support is being requested.
- Submit a complete application under this Strand before the start of works.
- By submitting the application, the applicant declares to be in possession of a complete chain of title. The chain of title documents shall be required only if the project is supported and prior to the signing of the support agreement. If the chain of title is incomplete, ACM will have the right to withdraw any support given.

In the case of more than one producer, the application must be filled by one entity. The producers participating in the co-production must reach an agreement on this point and include a joint declaration which should be included in the application.

3.2 Who cannot apply?

- Applicants shall be excluded from applying for support if they, or, where applicable, the shareholders or persons having powers of representation or decision-making:
 - i. have been convicted by final judgement of any of the following offences: participation in a criminal organisation, corruption, fraud, money laundering, child labour, human trafficking;
 - ii. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind; or
 - iii. have been convicted by final judgement of serious professional misconduct or any other offence relating to professional integrity.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:
 - a copy of their Maltese ID card (including both front and back); or Maltese residence permit; or Maltese citizenship certificate; or Maltese passport.



- Applicants who do not qualify under the definition of applicant for this specific Strand.
- Beneficiaries who have not honoured previous funding commitments.
- Entities who have not presented the required annual documentation to the Malta Business Registry.
- Organisations/activities receiving local public funds through established government line-votes.

3.3 What costs can be covered?²

Screen Support Scheme – Pre-Production – Strand 2: Development may cover up to 100% of the below indicated eligible costs (up to a maximum of €50,000, whichever is the lowest).

The eligible direct costs are identifiable as specific costs directly linked to the pre-production of the work such as:

- Accreditation fees for international markets/pitching forums/festivals or events to seek partners (e.g. co-producers, sales agent, distributors, broadcasters, platforms, festivals);
- Acquisition of necessary rights (including a reasonable option fee if script is based on underlying material, music clearance, archive materials);
- Animation, design and illustration, in the case of an animation project;
- Casting expenses including Screen Tests and Auditions;
- Consumables and supplies;
- Contingency, not exceeding 10% of the total cost;
- Development/Script workshop (or similar event) fees and any related travel costs for Writer and/or Producer and/or Director including economy flights, economy accommodation, other travel costs;
- Directors', Researchers' and Producers' fees where applicable;
- Economy accommodation;
- Fees for consultation, research and advice from professionals regarding for example, accounting, auditing, financing, legal, marketing, impact, editing and other related professional consulting;
- Fees for key creative members (e.g. development and/or script consultant/s, Casting Agent/Director, Production Designer, Location Manager, DOP, animator, designer, illustrator);
- Fees for packaging, financing, marketing and other related professional consulting;
- Health and safety measures;
- Hire/purchase of equipment and technology (purchase of equipment will only be considered if deemed necessary to the project);
- Insurance;
- Labour costs (above the line and below the line): Personnel and talent working under an employment contract with the applicant and assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration or, where applicable, those of the applicant's partners;
- Location fees;

² All costs will be considered only if these resources are not already covered/cannot be covered by the applicants or supporting/partner organisations.



- Marketing, PR, and communications;
- Non-recoverable value added tax (VAT), where applicable;
- Other fees directly related to project implementation (including but not limited to mentors, service providers, participation fees, linguistic fees, etc.);
- Production services provided by the broadcaster, excluding renting of equipment, may either be charged to the project or considered as a contribution towards co-funding;
- Production costs of teaser and/or trailer (maximum 5 minutes). In the case of creative documentaries, production costs of a teaser and/or trailer and/or sequence of research material (maximum 7 minutes) to demonstrate visual approach. In the case of animation projects, production costs for a concept trailer/animatic (maximum 3 minutes) and costs to prepare an animation pack;
- Production costs, in the case of creative documentaries, related to the shooting of events that take place during the eligibility period and are relevant for the work or shooting carried out for research purposes related to the work (research material);
- Project management (including but not limited to: administration, coordination, development);
- Renting of spaces;
- Research costs (including archive research, audience research, research for partners, investors and co-producers, researchers' fees);
- Subscriptions to virtual platforms or other digital services where relevant (such as scriptwriting software, etc.);
- Translation from original language to any other European language;
- Transportation expenses;
- Travel (economy class), including, but not limited to, public transport, air travel, car/vehicle rental;
- Travel VISA;
- Writer/s' fee/s.

In the case of in-house services, a signed declaration by the director of the juridical entity together with evidence of possession of equipment (if applicable) shall suffice.

For the purposes of calculating aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary. Aid intensity limits to support schemes falling under pre-production support may be up to 100% of the eligible costs. However, if the resulting script or project is made into an audiovisual work, the pre-production costs shall be incorporated in the overall budget and taken into account when calculating the aid intensity.

For more information about presenting your budget, refer to our General Budget Guidelines, available <u>here</u>.

3.4 What costs cannot be covered?

- Costs already covered by public cultural organisations, or another public funding programme managed or co-managed by Arts Council Malta or other public agency, government department, or Ministry;
- Costs declared by the beneficiary and covered by another grant of the Government of Malta or the European Union: Financial support awarded under this scheme may be awarded in addition



to financial support granted by other granting authorities (under multiple support schemes), provided that this is not explicitly excluded by the guidelines or regulations of the other granting authorities and provided that such cumulative support does not surpass the actual costs incurred and the intensity aid limits, as applicable;

- Costs incurred before submission of application;
- Costs incurred before the start of works ;
- Costs incurred by a co-producer who will not be a co-beneficiary of an agreement in case of selection;
- Costs that are not directly linked to the project;
- Debt and debt service charges;
- Doubtful debts;
- Excessive or reckless expenditure;
- Exchange losses;
- Fees for services provided by public cultural organisations or other public agency, government department, or Ministry;
- Indirect producers' fees and contingencies;
- Interest owed;
- Provisions for losses or debts;
- Recoverable VAT, where applicable;
- Retroactive costs;
- Return on capital;
- Subsistence, catering, and hospitality.

All costs eligible for funding under this scheme must be necessary and reasonable for the completion of the project and consistent with the principles of sound financial management and accounting practices.

3.5 What applications are eligible for support?

Projects must satisfy at least ONE of the following criteria:

- Producer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Writer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Director/s is a Maltese citizen or holds a permanent residence status in Malta.

Pre-production development of the following fiction, animation and documentary projects are eligible:

- Feature-length intended for theatrical, festivals, TV, VOD;
- TV series (Pilot Episode; Subsequent Episodes individually or as an entire season; entire Mini-Series - applies to new series but also to new seasons of an existing series).

Moreover, support shall only be granted to Audiovisual Projects that are cultural products. Projects shall be considered cultural products if they:

- make a contribution to Maltese and/or European culture; or
- make a contribution to the development of the film and TV industry in Malta and/or Europe; or



• be considered cultural in light of their content.

The evaluators shall verify the above in accordance with the parameters of eligibility as established by the ACM for each of the above cultural criteria. Projects declared non-cultural shall not be awarded any aid. Click <u>here</u> to download the Cultural Test, applicants are required to fill it in and upload it in the appropriate field when submitting the application through the ACM's CRM.

3.6 What applications are not eligible for support?

- Activities that are not related to culture, arts, and the creative industries;
- Activities whose objective is fundraising or political propaganda;
- Advertising, corporate, training and/or promotional films or infomercials;
- Applications submitted after noon (12:00) of the respective day of deadline;
- Applications submitted by public entities with or without a line vote;
- Applications which do not qualify under the definition of audiovisual production for this specific Strand;
- Incomplete applications (refer to application checklist in section 5.1);
- Initiatives eligible under Festivals Malta, Annual Cultural Activities Scheme, VOPS, National Book Council, Valletta Cultural Agency, or Malta Arts Scholarships;
- Projects including and/or promoting political propaganda;
- Projects of which costs entirely fall outside the eligible timeframe;
- Projects promoting violence, racism, and pornographic content and content violating the Maltese Constitution;
- Projects that would have been finished before the result is notified to applicant(s);
- Reality shows, magazine and lifestyle programmes, culture programmes, discussion programmes, quizzes and game shows, advertorials, light entertainment, short films;
- Resubmitted proposal that does not include considerable changes or new elements when compared with a previous submission or that does not include a report/statement clearly highlighting the changes that have been effected.

Any other activity that falls outside the scope of Screen Support Scheme – Pre-Production – Strand 2: Development is not eligible for support.

Applicants can submit more than one application under the same call, however, only one of the applications can be funded per strand.

4. Evaluation

The Evaluation Board will base its decision upon the following criteria:

4.1 Criterion 1: Concept (45 marks)

This criterion considers the quality, strength and originality of the concept and script/treatment and the potential to reach both national and international audiences. The following points will be assessed:



- Concept and script/treatment show originality (theme, perspective, visual approach); (15 marks)
- Vision and style; (15 marks)
- Strong proposal with potential to reach both national and international audiences. (15 marks)

4.2 Criterion 2: Project Management (15 marks)

This criterion considers the level of commitment and preparation prior to the proposal as well as the proposed plan to deliver and achieve the aims targeted. The following points will be assessed:

- The relevant experience of the creative team (including at international level); (5 marks)
- The production capacity and willingness to successfully produce the proposed work; (5 marks)
- Financial and legal reputation of the creative team. (5 marks)

4.3 Criterion 3: Audience Engagement and Circulation Potential (25 marks)

This criterion considers the engagement and the development of established and new audiences. Engagement refers to the role, the nature of involvement, and the experience offered to the audience.

Circulation potential refers to potential for festival participation (and recognition) and international distribution, as well as the potential to stimulate interest from co-producers, festivals, markets, sales agents, distributors and/or broadcasters/platforms. The following points will be assessed:

- Define the target audiences and explain how these audiences will be reached. Provide an outline of the marketing, PR, and communications plan as deemed relevant to the proposed programme/s of activities. Explain the reasons for the chosen methods. (10 marks)
- Screening, Festival and Market potential; the level of distribution in different territories Letter(s) of interest from distributors and other industry players. (10 marks)
- Letter(s) of interest or signed contracts for co-development or co-production, if available. (5 marks).

4.4 Criterion 4: Budget and Financing Plan (15 marks)

This criterion considers the quality and viability (industry standard) of the budget and the financing plan (where applicable). The following points will be assessed:

- Provide a clear budget breakdown including expenses directly related to the proposed development. (8 marks)
- Provide a financing plan (overall quality and viability of the financing strategy; level of confirmed financing evidenced by signed agreements and/or letters of intent). (7 marks)



5. Submitting the application

Follow these steps to apply:

- 1. Read these guidelines and regulations very carefully.
- 2. Check whether your proposal can be addressed by this scheme.
- 3. Press the <u>link</u> that will take you to the online application system.
- 4. If you do not have a profile, create your profile with Arts Council Malta by clicking on Register and filling in the details.
- 5. From the open calls section, select the online application for the Strand you intend to apply for.
- 6. Follow the instructions step by step. Fill in all required information from the online application, including the budget, and attach the supporting documentation.
- 7. Submit the application. You should be receiving an automatic acknowledgement by the system. If you do not receive such a notification, contact us on applyforfunds@artscouncil.mt.

Applicants are required to register a profile on the ACM's CRM at least two weeks prior to the deadline of the call.

In case of difficulty, or if you would like to consult us regarding this fund, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00, or send an email on <u>fundinfo@artscouncil.mt</u>.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed and evaluated.

Prior to the application deadline, Arts Council Malta representatives will not be checking your application forms. It is solely at Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation following the call deadline.

Upon submission of the application, applicants accept that should the application be awarded funding, the name, the project title, and the amount awarded can be published by Arts Council Malta.

A decision on funding will be made on the strength of the submitted information and supporting documents.

Applications handed in after 12.00 (noon) of the respective deadline cannot be accepted.

5.1 Checklist

In order to be complete, applications must be accompanied by:

- A copy of the VAT certificate of registration;
- The most recent good standing certificate of registration This document is renewed annually by the Malta Business Registry and is proof of compliance;
- Copy of applicant (or applicant's majority shareholder or director)'s Maltese ID card, Maltese residence permit, Maltese citizenship certificate or Maltese passport;
- Bio notes of key contributors to the project;



- A declaration that the applicant does not qualify as an undertaking in difficulty as defined in these guidelines; Creative project package:
 - i. Logline
 - ii. Synopsis
 - iii. Treatment (maximum 10 pages) or draft script (if available)
 - iv. Writers' statement of intent (maximum 1 page)
 - v. Brief description of target audience and intended strategy at the end of the process (pitching at markets etc.) (maximum 1 page)
 - vi. Sequence of research material / footage (maximum 5 minutes) / teaser / trailer and/or materials concerning the main characters (if applicable), or at least photos to demonstrate the intended visual approach, style and tone in the case of documentary projects
 - vii. Initial Animation Pack for animation projects (which includes drawings that can demonstrate intended visual approach and style to be taken; early character design (including characters in pose or action)
- Budget (development clearly indicating the net amount and the VAT amount);
- Financing plan (if budget exceeds maximum support);
- Summary work plan (maximum 1 page);
- Applications with a co-development/co-production agreement in place will only be considered if the applicant can provide the duly signed co-development/co-production agreement or dealmemo. The agreement or deal-memo should include industry standard clauses including, amongst other things, clauses which regulate the sharing of rights and the creative input of each producer.

Optional documentation (if available):

- Letter(s) of intent, deal-memos or agreements from financing partners and buyers;
- Co-development and/or co-production agreement(s), deal-memos or letter(s) of interest;
- Previous works;
- Producer's statement; Director's notes; Brief Description of the characters; storyboard; mood board.

Files up to 5MB may be attached directly in the application form, larger files may be provided as a link that does not expire and does not require identity verification.

6. Evaluation process

This scheme is competitive and will be evaluated by a panel of sectoral experts according to established criteria.

As specified above, each criterion is allocated a number of specific marks. In order to be considered for funding, projects have to obtain an average of at least 60 marks.

Nevertheless, the evaluation session and funding decisions depend on the quality of the submitted proposals and on the availability of the funds. Therefore, obtaining 60 marks or more does not automatically mean that you will be awarded the funds. The Evaluation Board may decide not to



allocate the total funds available for a particular call if the proposed projects do not reach the required level in terms of the fund criteria.

Eligible applications will be assessed by an evaluation team selected by the Council on the basis of their professional experience in the film industry. Arts Council Malta will select evaluators on the basis of their independent and professional experience. The evaluators will present an assessment on each of the proposed eligible projects, indicating the relevant ratings awarded.

6.1 Communication of results

On the day indicated on page 2, you will receive your result notification from Arts Council Malta. Together with the covering letter, we will also attach a copy of the evaluation form, indicating the reasons and marks leading to the Evaluation Board's decision, according to the fund criteria.

The order of classification of the projects, according to the marks allocated by the evaluators, will be published online. Only the names of the successful projects will be published; in the case of projects which have not been awarded any funds, only their reference number will be published.

If you have any difficulties concerning your results, you should email us on <u>fundinfo@artscouncil.mt</u> within five (5) days of receiving your funding decision.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received by the Senior Fund Executive, Fund Manager and Evaluators will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful projects will be included in the grant agreement.

7. Project implementation and monitoring

Beneficiaries must provide full documentation to support the application and budget plan within 6 months from receipt of the notification letter. For duly justified reasons, the Council may extend such a period of validity. The Council will accept a variation of up to 10% from the proposed total budget. The contingency indicated in the budget plan will support any variations from the proposed total budget. Under no circumstances will the Council be in a position to increase the grant awarded.

Upon provision and approval of the above mandatory documentation, a contract specifying the conditions of the fund will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

70% of the total amount allocated by the Evaluation Board will be processed after the signing of the contract. The final payment of 30% after the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use the Arts Council's logo on all related material and specify that the project was supported by the grant as follows: **Supported by Arts Council Malta,** in all marketing, PR, and printed material. Arts Council Malta shall also be accorded a screen credit. The grant received must



be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the nature of the project take place during implementation. Changes cannot be implemented unless approval is received. It is the responsibility of the Beneficiary to justify changes, such changes shall not be withheld if these are customarily accepted in the international film industry.

Arts Council Malta reserves the right to revise or withhold the final payment if the change in the project is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.

Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes, both during the implementation of the project as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that stated in the signed agreement.

7.1 Report

At the end of your project, you will be required to submit a detailed report highlighting the work carried out and the project achievements, by no later than 3 months after your project is concluded. Arts Council Malta will provide a template for your report. If relevant, together with this report, beneficiaries must submit any relevant marketing, publicity, or information material developed for the funded project, together with:

- Script (advanced draft). In the case of creative documentaries, the treatment (and/or possibly teaser/trailer/sequence of research material) will suffice. In the case of TV Series, if the applicant applied for an entire season or entire Mini-Series detailed episode outlines will suffice ACM may also request the script for the pilot episode/1st episode if this was a condition to the support (indicated in the notification letter);
- Synopsis (revised);
- Writers' statement of intent (revised);
- In the case of creative documentaries, a teaser and/or trailer and/or sequence of research material (maximum 3 minutes) to demonstrate visual approach, style and treatment;
- In the case of animation projects a teaser/trailer/animatic (1 min) and revised animation pack;
- In the case of series, if available, the Series Bible (Log line, story in detail (full season), character description, tone and structure of world) or Animation Bible, if applicable.

You will also be required to present the final detailed budget together with all supporting documents including VAT invoices and/or fiscal receipts and a declaration of remuneration in the case of in-house services.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.



8. Complaints procedure

Filing a complaint will not affect your chances of receiving support from Arts Council Malta in the future. All complaints will be treated with confidentiality.

8.1 Grounds for complaints

Applicants can make a complaint regarding procedural anomalies and irregularities during the submission and evaluation process in terms of the procedures stipulated in these guidelines and regulations. Complaints cannot be made concerning:

- Arts Council Malta's or the government's policies and procedures, and/or,
- The merits of the application in terms of the criteria stipulated in these guidelines and regulations.

Only applicants may file complaints concerning their project.

8.2 Filing a complaint

Complaints must be made in writing and must be as clear as possible. The complaint must state the grounds and the reasons for the complaint, providing a detailed explanation and justification supported by relevant documentation or testimonials as to why the complainant deems that irregularities were committed in the procedure/s stipulated in these guidelines and regulations or in standard good governance rules and regulations governing the public sector. The decision at the end of the complaint process will be final. Complaints need to be made to the Director of Funding and Strategy, Arts Council Malta within five (5) working days of receipt of your funding decision. You will normally receive a reply to your complaint within ten (10) working days.

In case you are not satisfied with the reply, Arts Council Malta will convene a board that will discuss your complaint further. If you approach our complaints procedure, you are consequently accepting that we can use information about your project to address the complaint. The decision of the board is final.



9. Applicability of State aid rules

This scheme is applicable to:

• Independent Audiovisual Entities as defined in these guidelines.

For the purposes of State aid rules, such applicants are deemed as undertakings that carry out an economic activity within the meaning of Article 107 TFEU. The terms and conditions set out in these guidelines will be implemented in line with Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs, by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, by Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, by Commission Regulation (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as may be subsequently amended [hereinafter referred to as the General Block Exemption Regulation].

This scheme is not applicable to the following:

- a. Activities listed in Article 1 (2), (3), (4) and (5) of the General Block Exemption Regulation [where applicable].
- b. Undertakings in difficulty are in principle excluded from the scope of this scheme, unless the undertaking was not in difficulty on 31 December 2019 but became an undertaking in difficulty in the period from 1 January 2020 to 31 December 2021.

Furthermore, assistance may not be granted if the aid is:

- a. Related to export activities towards third countries or member states, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network, or to other current expenditure linked to export activity.
- b. Contingent upon the use of domestic in preference to imported goods.
- c. In favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.

For the purposes of calculating the aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.



Rules on cumulation of aid will be in line with Article 8 of the General Block Exemption Regulation.

Need advice?

ACM offers pre-submission consultation services to help you secure support for your project. We are there every step of the way. We can help you determine whether the core concept and profile of your project are in line with the targeted support mechanism and provide feedback on the way you plan to present your project. Plan ahead and get in touch with us at least four weeks before the submission deadline to make the best use of our services.

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or to send us an email on <u>fundinfo@artscouncil.mt</u>.

Guidelines updated on 05th August 2024.

Screen Support Scheme Production Strand 3: Short Film

Guidelines and Regulations 2024



ISSUED: AUGUST 2024*

*The version issued in August 2024 supersedes the version issued in July 2024.



ALLOCATIONS

SESSION BUDGET	MAXIMUM ELIGIBLE AMOUNT PER PROJECT
€80,000	€20,000

CO-FUNDING	DISBURSEMENT
The scheme may cover up to 100% of total project costs.	70% upon signing of the grant agreement. 30% following approval of the final report.

TIMEFRAMES

DEADLINE	RESULTS	ELIGIBLE TIMEFRAME
24th September 2024	21st November 2024	for Fiction 22nd November 2024 – 22nd November 2027 for Documentaries 22nd November 2024 – 22nd November 2029



1. Introduction

The aim of the Screen Support Scheme – Production – Strand 3: Short Film is to support the production of short films with cultural and creative content in order to enhance the quality of audiovisual productions in Malta. The Strand will be limited to the following productions that meet the eligible cultural criteria: animation, documentaries, and fiction.

The Strand provides financial support in the form of a grant to individual audiovisual professionals and independent audiovisual entities to produce quality-driven audiovisual productions and may include mentoring by a highly experienced film industry expert appointed by Arts Council Malta ("ACM").

The scheme aims to support ambitious audiovisual creations and to encourage the production of original short films.

Support can be provided to eligible applicants for their involvement in international co-productions (as majority or minority partners) as long as the application is submitted by the eligible applicant and a co-production agreement is in place (according to industry standards). Projects must display artistic and/or technical co-operation between the co-production partners.

2. Definitions

Applicant:

• An applicant must be an Individual audiovisual professional as defined or an Independent Audiovisual Entity. Applicants cannot be employees of Arts Council Malta or involved in the management of the *Screen Support Scheme – Production – Strand 3: Short Film*.

The applicant's NACE code must be one of the following:

- o J59.11 Motion picture, video, and TV programme production activities
- o J59.12 Motion picture, video, and TV programme post-production activities
- o J59.13 Motion picture, video, and TV programme distribution activities
- o R90.03 Artistic creation

Application:

• An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Beneficiary:

• The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the scheme. The beneficiary of the grant may not be changed throughout the duration of the funded project and until the final disbursement is issued. The disbursement of the grant may only be issued on behalf of the beneficiary. The beneficiary is responsible to ensure that any VAT invoices are issued on behalf of the beneficiary and include the beneficiary's VAT information.

Audiovisual production/project:

• An audiovisual production/project may be a work of fiction, documentary, or animation.



Chain of title:

• All of the agreements/documentation that evidences the sequence of transfers of title to a work.

Difficult audiovisual work:

This includes audiovisual works by first-time and second-time directors, short films, documentaries, low budget productions (i.e. the total production budget does not exceed €1,500,000), works whose original version is in the Maltese language (or in a language with a limited distribution territory, population or language area), or otherwise commercially difficult works.

Documentary:

• A production that takes a real-life subject as its starting point but requires substantial original writing and sets out an author's and/or director's point of view from a historical and/or contemporary perspective. A documentary should contain a certain "timeless" element and should contain significant original filming (unless it is a documentary based on archival or an animation) and does not merely convey information. A documentary with a length of 52 minutes or more shall be considered a feature-length work for the purposes of these guidelines.

Eligibility:

• Applications will first be screened in terms of technical and artistic eligibility by the fund administrators and managers. Proposals which are not considered eligible in terms of the set criteria will not be processed further and will not undergo evaluation.

Evaluation:

• Applications deemed compliant and eligible are evaluated against the criteria established in these guidelines by the appointed evaluators.

Evaluators:

• Arts Council Malta appoints an evaluation team for each call under the scheme. The Arts Council may appoint both local and foreign professionals in the film sector.

Independent Audiovisual Entity:

 An Independent Audiovisual Entity is a juridical person duly registered in Malta, as a limited liability company, a partnership en Commandite or that establishes a branch or place of business in Malta under Part XI Chapter 1 of the Companies Act (CAP 386 of the Laws of Malta), and whose principal activity consists in developing and producing audiovisual works and is tax resident in Malta. It is considered independent if its origins are independent of the state, or public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies. The entity's stocks or shares may not belong to the state, public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies.

Individual audiovisual professionals

• Natural persons applying for a grant must be Maltese citizens or be in possession of a Malta permanent residence permit, or of a Maltese citizenship certificate, or of a Maltese passport. Natural persons must be audiovisual professionals active in the eligible NACE activities.



Management and administration:

• Arts Council Malta is responsible for the management of this scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these guidelines.

Mandatory documentation:

• Any document(s) needed to support your proposal and aid the evaluation of your project.

Maximum funding:

• There is a maximum funding allocation per project, with a ceiling amount of €20,000. This will be decided on a case-by-case basis depending on the project.

Mood board:

• A visual tool intended to communicate the filmic concepts of a particular project. It is a well-thought-out and planned arrangement of images, materials, pieces of text, etc. that is intended to evoke or project a particular style or tonality.

Period of eligibility of costs:

• The period of eligibility of costs is established on page 2 of this document and will be indicated in the Agreement.

Producer:

• The person responsible for finding and launching an audiovisual project. This includes being responsible for the creative, financial, and managerial aspects of the making of a film or TV production. A producer oversees all elements of pre-production, production, and post-production, right up to release.

Public Cultural Organisations:

 Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, Malta International Contemporary Arts Space, Festivals Malta, and the National Agency for Performing Arts.

Resubmitted proposals

• A project/proposal that was submitted through a previous call can be re-submitted only if the project/proposal has undergone considerable changes or if new elements have been developed since the last submission. On re-submission, the applicant is to present a report/statement clearly highlighting the changes that have been effected.

Short films:

• May be a work of fiction, documentary, or animation, of a maximum duration of 69 minutes in the case of fiction and 51 minutes in the case of documentary. Short films are considered difficult audiovisual work.



Start of works:

• Means the earlier of either the commencement of the period of eligibility of costs or the signing of a legally binding agreement for the acquisition of any products or services relating to the project, that makes the project irreversible. Preparatory works are not considered start of works.

Treatment:

• A detailed summary which normally lays out the structure of the whole story and communicates the world, the characters, important scenes, sequences, and story points; working as a roadmap for the reader, producer and writer.

Undertaking:

• An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.

Undertaking in difficulty:

- Undertaking in difficulty means an undertaking in respect of which at least one of the following circumstances occurs:
 - o In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, "limited liability company" refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU of the European Parliament and of the Council and "share capital" includes, where relevant, any share premium.
 - o In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, "a company where at least some members have unlimited liability for the debt of the company" refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
 - o Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
 - o Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
 - o In the case of an undertaking that is not an SME, where, for the past two years:



- the undertaking's book debt to equity ratio has been greater than 7.5; and
- the undertaking's EBITDA interest coverage ratio has been below 1.0.

3. Eligibility

Projects will first be screened in terms of eligibility. Ineligible proposals in terms of the points below will not be processed further and will not undergo evaluation.

Maximum eligible timeframe to implement the project:

For fiction, 36 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2027

For documentaries, 60 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2029.

3.1 Who can apply?

The grant is open to undertakings (for which assistance will be granted in line with the General Block Exemption Regulation), within the meaning of Article 107 TFEU [kindly refer to Section 9 of these guidelines for additional information].

Applicants must qualify as the following:

- Independent Audiovisual Entities as defined in these guidelines;
- An Individual audiovisual professionals as defined in these guidelines

Furthermore, applicants must meet all the following criteria:

- At least one directorship or the majority shareholding of the juridical entity must be ultimately held by Maltese citizens or persons who hold a permanent residence status in Malta.
- Registered with the applicable regulating body at the time of submission of their applications
- Be in possession of a VAT registration certificate.
- Where applicable, be the originator of the project, script or treatment or have majority rights (unless the applicant is a minority co-producer) relating to the project for which support is being requested.
- Submit a complete application under this Strand before the start of works.
- By submitting the application, the applicant declares to be in possession of a complete chain of title. The chain of title documents shall be required only if the project is supported and prior to the signing of the support agreement. If the chain of title is incomplete, ACM will have the right to withdraw any support given.

In the case of more than one producer, the application must be filled by one entity. The producers participating in the co-production must reach an agreement on this point and include a joint declaration which should be included in the application.



3.2 Who cannot apply?

- Applicants shall be excluded from applying for support if they, or, where applicable, the shareholders or persons having powers of representation or decision-making:
 - i. have been convicted by final judgement of any of the following offences: participation in a criminal organisation, corruption, fraud, money laundering, child labour, human trafficking;
 - ii. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind; or
 - iii. have been convicted by final judgement of serious professional misconduct or any other offence relating to professional integrity.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:
 - a copy of their Maltese ID card (including both front and back); or Maltese residence permit; or Maltese citizenship certificate; or Maltese passport.
- Applicants who do not qualify under the definition of applicant for this specific Strand.
- Beneficiaries who have not honoured previous funding commitments.
- Entities who have not presented the required annual documentation to the Malta Business Registry.
- Organisations/activities receiving local public funds through established government line-votes.

3.3 What costs can be covered?³

Screen Support Scheme – Production – Strand 3: Short Film may cover up to 100% of the below indicated eligible costs (up to a maximum of €20,000, whichever is the lowest).

The eligible direct costs are identifiable as specific costs directly linked to the production of the work such as:

- Acquisition of necessary rights (including music clearance, archive materials);
- Co-/Producers' fee;
- Consumables and supplies;
- Contingency, not exceeding 10% of the total production budget;
- Economy accommodation;
- Fees for consultation, research and advice from professionals regarding for example, accounting, auditing, financing, legal, marketing, impact, editing and other related professional consulting;
- Health and safety measures;
- Hire/purchase of equipment and technology (purchase of equipment will only be considered if deemed necessary to the project);

³ All costs will be considered only if these resources are not already covered/cannot be covered by the applicants or supporting/partner organisations.



- Insurance;
- Labour costs (above the line and below the line): Personnel and talent working under an employment contract with the applicant and assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration or, where applicable, those of its partners;
- Location fees;
- Marketing, PR, and communications;
- Non-recoverable value added tax (VAT), where applicable;
- Other fees directly related to project implementation (including but not limited to mentors, service providers, participation fees, linguistic fees, etc.);
- Post-production (including Editing crew/equipment/services; Sound Design including ADR and Foley; Music Rights and Composition; Colour Correction; Subtitling; Credits and trailers);
- Production services provided by the broadcaster, excluding renting of equipment, may either be charged to the project or considered as a contribution towards co-funding;
- Project management (including but not limited to: administration, coordination, development);
- Rentals and Services relating to the production;
- Renting of spaces;
- Research costs (including archive research, audience research, research for partners, investors and co-producers, researchers' fees);
- Subscriptions to virtual platforms or other digital services where relevant (such as scriptwriting software, etc.)
- Subtitling;
- Teaser/trailer;
- Transcription, dubbing and captioning;
- Translation from original language to any other European language;
- Transportation expenses;
- Travel (economy class), including, but not limited to, public transport, air travel, car/vehicle rental;
- Travel VISA;
- VFX and similar services.

In the case of in-house services, a signed declaration by the director of the juridical entity together with evidence of possession of equipment (if applicable) shall suffice.

For the purposes of calculating aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

For more information about presenting your budget, refer to our General Budget Guidelines, available <u>here</u>.

3.4 What costs cannot be covered?

• Costs already covered by public cultural organisations, or another public funding programme managed or co-managed by Arts Council Malta or other public agency, government department, or Ministry;



- Costs declared by the beneficiary and covered by another grant of the Government of Malta or the European Union: Financial support awarded under this scheme may be awarded in addition to financial support granted by other granting authorities (under multiple support schemes), provided that this is not explicitly excluded by the guidelines or regulations of the other granting authorities and provided that such cumulative support does not surpass the actual costs incurred and the intensity aid limits, as applicable;
- Costs incurred before submission of application;
- Costs incurred before the start of works ;
- Costs incurred by a co-producer who will not be a co-beneficiary of an agreement in case of selection;
- Costs that are not directly linked to the project;
- Debt and debt service charges;
- Doubtful debts;
- Excessive or reckless expenditure;
- Exchange losses;
- Fees for services provided by public cultural organisations or other public agency, government department, or Ministry;
- Indirect producers' fees and contingencies;
- Interest owed;
- Provisions for losses or debts;
- Recoverable VAT, where applicable;
- Retroactive costs;
- Return on capital;
- Subsistence, catering, and hospitality.

All costs eligible for funding under this scheme must be necessary and reasonable for the completion of the project and consistent with the principles of sound financial management and accounting practices.

3.5 What applications are eligible for support?

Projects must satisfy at least ONE of the following criteria:

- Producer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Writer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Director/s is a Maltese citizen or holds a permanent residence status in Malta.

Moreover, support shall only be granted to Audiovisual Projects that are cultural products.

Projects shall be considered cultural products if they:

- make a contribution to Maltese and/or European culture; or
- make a contribution to the development of the film and TV industry in Malta and/or Europe; or
- be considered cultural in light of their content.

The evaluators shall verify the above in accordance with the parameters of eligibility as established by the ACM for each of the above cultural criteria. Projects declared non-cultural shall not be awarded any aid. Click <u>here</u> to download the Cultural Test, applicants are required to fill it in and upload it in the appropriate field when submitting the application through the ACM's CRM.



3.6 What applications are not eligible for support?

- Activities that are not related to culture, arts, and the creative industries;
- Activities whose objective is fundraising or political propaganda;
- Advertising, corporate, training and/or promotional films or infomercials;
- Applications submitted after noon (12:00) of the respective day of deadline;
- Applications submitted by public entities with or without a line vote;
- Applications which do not qualify under the definition of audiovisual production for this specific Strand;
- Applications which do not qualify under the definition of difficult audiovisual work for this Strand;
- Incomplete applications (refer to application checklist in section 5.1);
- Initiatives eligible under Festivals Malta, Annual Cultural Activities Scheme, VOPS, National Book Council, Valletta Cultural Agency, or Malta Arts Scholarships;
- Projects including and/or promoting political propaganda;
- Projects of which costs entirely fall outside the eligible timeframe;
- Projects promoting violence, racism, and pornographic content and content violating the Maltese Constitution;
- Projects that would have been finished before the result is notified to applicant(s);
- Reality shows, magazine and lifestyle programmes, culture programmes, discussion programmes, quizzes and game shows, advertorials, light entertainment;
- Resubmitted proposal that does not include considerable changes or new elements when compared with a previous submission or that does not include a report/statement clearly highlighting the changes that have been effected.

Any other activity that falls outside the scope of Screen Support Scheme – Production – Strand 3: Short Film is not eligible for support.

Applicants can submit more than one application under the same call, however, only one of the applications can be funded per strand.

4. Evaluation

The Evaluation Board will base its decision upon the following criteria:

4.1 Criterion 1: Concept (45 marks)

This criterion considers the quality, strength and originality of the concept and script/treatment and the potential to reach both national and international audiences. The following points will be assessed:

- Concept and script/treatment show originality (theme, perspective, visual approach); (15 marks)
- Vision and style; (15 marks)
- Strong proposal with potential to reach both national and international audiences. (15 marks)



4.2 Criterion 2: Project Management (15 marks)

This criterion considers the level of commitment and preparation prior to the proposal as well as the proposed plan to deliver and achieve the aims targeted. The following points will be assessed:

- The relevant experience of the creative team (including at international level); (5 marks)
- The production capacity and willingness to successfully produce the proposed work; (5 marks)
- Financial and legal reputation of the creative team. (5 marks)

4.3 Criterion 3: Audience Engagement and Circulation Potential (25 marks)

This criterion considers the engagement and the development of established and new audiences. Engagement refers to the role, the nature of involvement, and the experience offered to the audience.

Circulation potential refers to potential for festival participation (and recognition) and international distribution, as well as the potential to stimulate interest from co-producers, festivals, markets, sales agents, distributors and/or broadcasters/platforms. The following points will be assessed:

- Define the target audiences and explain how these audiences will be reached. Provide an outline of the marketing, PR, and communications plan as deemed relevant to the proposed programme/s of activities. Explain the reasons for the chosen methods. (10 marks)
- Screening, Festival and Market potential; the level of distribution in different territories Letter(s) of interest from distributors and other industry players. (10 marks)
- Letter(s) of interest or signed contracts for co-production, if available. (5 marks).

4.4 Criterion 4: Budget and Financing Plan (15 marks)

This criterion considers the quality and viability (industry standard) of the budget and the financing plan (where applicable). The following points will be assessed:

- Provide a clear budget breakdown including expenses directly related to the proposed production. (8 marks)
- Provide a financing plan (overall quality and viability of the financing strategy; level of confirmed financing evidenced by signed agreements and/or letters of intent). (7 marks)

5. Submitting the application

Follow these steps to apply:

- 1. Read these guidelines and regulations very carefully.
- 2. Check whether your proposal can be addressed by this scheme.
- 3. Press the <u>link</u> that will take you to the online application system.
- 4. If you do not have a profile, create your profile with Arts Council Malta by clicking on Register and filling in the details.
- 5. From the open calls section, select the online application for the Strand you intend to apply for



- 6. Follow the instructions step by step. Fill in all required information from the online application, including the budget, and attach the supporting documentation.
- Submit the application. You should be receiving an automatic acknowledgement by the system.
 If you do not receive such a notification, contact us on <u>applyforfunds@artscouncil.mt</u>.

Applicants are required to register a profile on the ACM's CRM at least two weeks prior to the deadline of the call.

In case of difficulty, or if you would like to consult us regarding this fund, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00, or send an email on <u>fundinfo@artscouncil.mt</u>.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed and evaluated.

Prior to the application deadline, Arts Council Malta representatives will not be checking your application forms. It is solely at Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation following the call deadline.

Upon submission of the application, applicants accept that should the application be awarded funding, the name, the project title, and the amount awarded can be published by Arts Council Malta.

A decision on funding will be made on the strength of the submitted information and supporting documents.

Applications handed in after 12.00 (noon) of the respective deadline cannot be accepted.

5.1 Checklist

In order to be complete, applications must be accompanied by:

- A copy of the VAT certificate of registration;
- The most recent good standing certificate of registration This document is renewed annually by the Malta Business Registry and is proof of compliance (in the case of an entity);
- Copy of applicant (or applicant's majority shareholder or director)'s Maltese ID card, Maltese residence permit, Maltese citizenship certificate or Maltese passport;
- Bio notes of key contributors to the project;
- A declaration that the applicant does not qualify as an undertaking in difficulty as defined in these guidelines;
- Creative project package:
 - i. Logline
 - ii. Synopsis
 - iii. Script (advanced draft) / treatment in the case of creative documentary
 - iv. Writers' statement of intent (maximum 1 page)
 - v. Director's notes (maximum 1 page)
 - vi. Brief description of target audience and intended strategy at the end of the process (festival and market strategy etc.) (maximum 1 page)
 - vii. a teaser, trailer, sequence of research material (maximum 7 minutes) or at least photos to demonstrate main characters (if applicable), intended visual approach, style and tone in the case of creative documentary projects.



- viii. Animation Pack (which includes drawings that can demonstrate intended visual approach and style to be taken; character design (including characters in pose or action) and, if available, Animation Bible for animation projects;
- ix. Series Bible (Log line, story in detail, character description, tone and structure of world) in the case of series;
- Budget (summary top sheet and detailed clearly indicating the net amount and the VAT amount);
- Financing plan (if budget exceeds maximum support);
- Shooting schedule (work plan in case of documentaries/animation);
- Applications with a co-production agreement in place will only be considered if the applicant can provide the duly signed co-production agreement or deal-memo. The agreement or deal-memo should include industry standard clauses including, amongst other things, clauses which regulate the sharing of rights and the creative input of each producer.

Optional documentation (if available):

- Letter(s) of intent, deal-memos or agreements from financing partners and buyers;
- Co-development and/or co-production agreement(s), deal-memos or letter(s) of interest;
- Previous works;
- Producer's statement; Brief Description of the characters; storyboard; mood board.

Files up to 5MB may be attached directly in the application form, larger files may be provided as a link that does not expire and does not require identity verification.

6. Evaluation process

This scheme is competitive and will be evaluated by a panel of sectoral experts according to established criteria.

As specified above, each criterion is allocated a number of specific marks. In order to be considered for funding, projects have to obtain an average of at least 60 marks.

Nevertheless, the evaluation session and funding decisions depend on the quality of the submitted proposals and on the availability of the funds. Therefore, obtaining 60 marks or more does not automatically mean that you will be awarded the funds. The Evaluation Board may decide not to allocate the total funds available for a particular call if the proposed projects do not reach the required level in terms of the fund criteria.

Eligible applications will be assessed by an evaluation team selected by the Council on the basis of their professional experience in the film industry. Arts Council Malta will select evaluators on the basis of their independent and professional experience. The evaluators will present an assessment on each of the proposed eligible projects, indicating the relevant ratings awarded.



6.1 Shortlisting

The evaluation board will meet during an initial evaluation session in which all eligible applications will be discussed. All applications will be given a score, and those scoring 60 marks and higher, will be shortlisted. The shortlisted applications will be invited to attend a pitching session.

The pitching session is not compulsory, and it is up to the applicant to accept to attend the pitching session, or not. Shortlisted applicants who opt out from attending a pitching session will not be penalised. It is solely at the evaluators' discretion to invite any applicant scoring less than 60 marks in total but obtains a minimum of 25 marks under Criterion 1, to attend a pitching session.

All applications, including those that are not shortlisted, will receive the official result notification together with a copy of the feedback form on the result date as indicated on page 2 of this document.

6.2 Pitching

The aim of the pitching session is to create an opportunity for applicants to make a case for their projects to the evaluators. The project applications would already have been reviewed by the evaluators and the fund managers before the pitching session. The writer, director, and producer may be present for the pitching session.

During the session, the applicant has the opportunity of presenting comments, latest insights, and additions to the already submitted project description.

The pitch can be presented in a variety of formats, including but not limited to: visual aids, PowerPoint presentations, audio, etc., but should not be longer than five (5) minutes. During the pitch, applicants are expected to explain the project's artistic vision and to communicate how the project will be implemented. This five-minute pitch will be followed by a Q&A session with the panel of evaluators.

6.3 Communication of results

On the day indicated on page 2, you will receive your result notification from Arts Council Malta. Together with the covering letter, we will also attach a copy of the evaluation form, indicating the reasons and marks leading to the Evaluation Board's decision, according to the fund criteria.

The order of classification of the projects, according to the marks allocated by the evaluators, will be published online. Only the names of the successful projects will be published; in the case of projects which have not been awarded any funds, only their reference number will be published.

If you have any difficulties concerning your results, you should email us on <u>fundinfo@artscouncil.mt</u> within five (5) days of receiving your funding decision.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received by the Senior Fund Executive, Fund Manager and Evaluators will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful projects will be included in the grant agreement.



7. Project implementation and monitoring

Beneficiaries must provide full documentation to support the application and budget plan within 6 months from receipt of the notification letter. For duly justified reasons, the Council may extend such a period of validity. The Council will accept a variation of up to 10% from the proposed total budget. The contingency indicated in the budget plan will support any variations from the proposed total budget. Under no circumstances will the Council be in a position to increase the grant awarded.

Upon provision and approval of the above mandatory documentation, a contract specifying the conditions of the fund will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

70% of the total amount allocated by the Evaluation Board will be processed after the signing of the contract. The final payment of 30% after the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use the Arts Council's logo on all related material and specify that the project was supported by the grant as follows: **Supported by Arts Council Malta**, in all marketing, PR, and printed material. Arts Council Malta shall also be accorded a screen credit. The grant received must be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the nature of the project take place during implementation. Changes cannot be implemented unless approval is received. It is the responsibility of the Beneficiary to justify changes, such changes shall not be withheld if these are customarily accepted in the international film industry.

Arts Council Malta reserves the right to revise or withhold the final payment if the change in the project is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.

Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes, both during the implementation of the project as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that stated in the signed agreement.

7.1 Report

At the end of your project, you will be required to submit a detailed report highlighting the work carried out and the project achievements, by no later than 3 months after your project is concluded. Arts Council Malta will provide a template for your report. If relevant, together with this report, beneficiaries must submit a copy of the film, copies of any relevant marketing, publicity, or information material developed for the funded project.



You will also be required to present the final detailed budget together with all supporting documents including VAT invoices and/or fiscal receipts and a declaration of remuneration in the case of in-house services.

Arts Council Malta retains the right to make use of submitted project material.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.

8. Complaints procedure

Filing a complaint will not affect your chances of receiving support from Arts Council Malta in the future. All complaints will be treated with confidentiality.

8.1 Grounds for complaints

Applicants can make a complaint regarding procedural anomalies and irregularities during the submission and evaluation process in terms of the procedures stipulated in these guidelines and regulations. Complaints cannot be made concerning:

- Arts Council Malta's or the government's policies and procedures, and/or,
- The merits of the application in terms of the criteria stipulated in these guidelines and regulations.

Only applicants may file complaints concerning their project.

8.2 Filing a complaint

Complaints must be made in writing and must be as clear as possible. The complaint must state the grounds and the reasons for the complaint, providing a detailed explanation and justification supported by relevant documentation or testimonials as to why the complainant deems that irregularities were committed in the procedure/s stipulated in these guidelines and regulations or in standard good governance rules and regulations governing the public sector. The decision at the end of the complaint process will be final. Complaints need to be made to the Director of Funding and Strategy, Arts Council Malta within five (5) working days of receipt of your funding decision. You will normally receive a reply to your complaint within ten (10) working days.

In case you are not satisfied with the reply, Arts Council Malta will convene a board that will discuss your complaint further. If you approach our complaints procedure, you are consequently accepting that we can use information about your project to address the complaint. The decision of the board is final.



9. Applicability of State aid rules

This scheme is applicable to:

- Independent Audiovisual Entities as defined in these guidelines.
- Individual audiovisual professionals as defined in these guidelines.

For the purposes of State aid rules, such applicants are deemed as undertakings that carry out an economic activity within the meaning of Article 107 TFEU. The terms and conditions set out in these guidelines will be implemented in line with Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs, by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, by Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, by Commission Regulation (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as may be subsequently amended [hereinafter referred to as the General Block Exemption Regulation].

This scheme is not applicable to the following:

- a. Activities listed in Article 1 (2), (3), (4) and (5) of the General Block Exemption Regulation [where applicable].
- b. Undertakings in difficulty are in principle excluded from the scope of this scheme, unless the undertaking was not in difficulty on 31 December 2019 but became an undertaking in difficulty in the period from 1 January 2020 to 31 December 2021.

Furthermore, assistance may not be granted if the aid is:

- a. Related to export activities towards third countries or member states, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network, or to other current expenditure linked to export activity.
- b. Contingent upon the use of domestic in preference to imported goods.
- c. In favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.



For the purposes of calculating the aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

Rules on cumulation of aid will be in line with Article 8 of the General Block Exemption Regulation.

Need advice?

ACM offers pre-submission consultation services to help you secure support for your project. We are there every step of the way. We can help you determine whether the core concept and profile of your project are in line with the targeted support mechanism and provide feedback on the way you plan to present your project. Plan ahead and get in touch with us at least four weeks before the submission deadline to make the best use of our services.

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or to send us an email on <u>fundinfo@artscouncil.mt</u>.

Guidelines updated on 05th August 2024.

Screen Support Scheme Production Strand 4: Production (Feature-length)

Guidelines and Regulations 2024



ISSUED: AUGUST 2024*

*The version issued in August 2024 supersedes the version issued in July 2024.



ALLOCATIONS

SESSION BUDGET	MAXIMUM ELIGIBLE AMOUNT PER PROJECT
€460,000	€300,000* *in the case of minority co-productions - €50,000

CO-FUNDING	DISBURSEMENT
The scheme may cover up to 50% of the eligible costs, up to 60% in the case of co-productions which involve more than one EU member State and up to 100% in the case of difficult audiovisual work	70% upon signing of the grant agreement. 30% following approval of the final report.

TIMEFRAMES

DEADLINE	RESULTS	ELIGIBLE TIMEFRAME
24th September 2024	24 21st November 2024	for Fiction 22nd November 2024 – 22nd November 2027
		for Documentaries 22nd November 2024 – 22nd November 2029



1. Introduction

The aim of the Screen Support Scheme – Production – Strand 4: Production (feature-length) is to support the production stage of cultural and creative audiovisual productions in Malta. This Strand will be open to the following productions that meet the eligible cultural criteria: fiction, documentary, and animation.

This Strand provides financial support in the form of a grant to independent audiovisual entities to produce quality-driven audiovisual productions and may include mentoring by a highly experienced film industry expert appointed by Arts Council Malta ("ACM").

The scheme aims to support ambitious audiovisual creations and to encourage the production of original projects.

Support can be provided to eligible applicants for their involvement in international co-productions (as majority or minority partners) as long as the application is submitted by the eligible applicant and a co-production agreement is in place (according to industry standards). Projects must display artistic and/or technical co-operation between the co-production partners.

2. Definitions

Applicant:

 An applicant must be an Independent Audiovisual Entity. Applicants cannot be employees of Arts Council Malta or involved in the management of the Screen Support Scheme – Production – Strand 4: Production (Feature-length).

The applicant's NACE code must be one of the following:

- o J59.11 Motion picture, video, and TV programme production activities
- o J59.12 Motion picture, video, and TV programme post-production activities
- o J59.13 Motion picture, video, and TV programme distribution activities

Application:

• An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Beneficiary:

• The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the scheme. The beneficiary of the grant may not be changed throughout the duration of the funded project and until the final disbursement is issued. The disbursement of the grant may only be issued on behalf of the beneficiary. The beneficiary is responsible to ensure that any VAT invoices are issued on behalf of the beneficiary and include the beneficiary's VAT information.

Audiovisual production/project:

• An audiovisual production/project may be a work of fiction, documentary, or animation.



Chain of title:

• All of the agreements/documentation that evidences the sequence of transfers of title to a work.

Difficult audiovisual work:

This includes audiovisual works by first-time and second-time directors, short films, documentaries, low budget productions (i.e. the total production budget does not exceed €1,500,000), works whose original version is in the Maltese language (or in a language with a limited distribution territory, population or language area), or otherwise commercially difficult works.

Documentary:

• A production that takes a real-life subject as its starting point but requires substantial original writing and sets out an author's and/or director's point of view from a historical and/or contemporary perspective. A documentary should contain a certain "timeless" element and should contain significant original filming (unless it is a documentary based on archival or an animation) and does not merely convey information. A documentary with a length of 52 minutes or more shall be considered a feature-length work for the purposes of these guidelines.

Eligibility:

• Applications will first be screened in terms of technical and artistic eligibility by the fund administrators and managers. Proposals which are not considered eligible in terms of the set criteria will not be processed further and will not undergo evaluation.

Evaluation:

• Applications deemed compliant and eligible are evaluated against the criteria established in these guidelines by the appointed evaluators.

Evaluators:

• Arts Council Malta appoints an evaluation team for each call under the scheme. The Arts Council may appoint both local and foreign professionals in the film sector.

Feature-length films:

• May be a work of fiction, documentary, or animation, of a minimum duration of 70 minutes in the case of fiction and 52 minutes in the case of documentary.

Independent Audiovisual Entity:

An Independent Audiovisual Entity is a juridical person duly registered in Malta, as a limited liability company, a partnership en Commandite or that establishes a branch or place of business in Malta under Part XI Chapter 1 of the Companies Act (CAP 386 of the Laws of Malta), and whose principal activity consists in developing and producing audiovisual works and is tax resident in Malta. It is considered independent if its origins are independent of the state, or public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies. The entity's stocks or shares may not belong to the state, public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies.



Management and administration:

• Arts Council Malta is responsible for the management of this scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these guidelines.

Mandatory documentation:

• Any document(s) needed to support your proposal and aid the evaluation of your project.

Maximum funding:

• There is a maximum funding allocation per project, with a ceiling amount of €300,000, in the case of minority co-productions the ceiling amount is of €50,000. This will be decided on a case-by-case basis depending on the project.

Mood board:

• A visual tool intended to communicate the filmic concepts of a particular project. It is a wellthought-out and planned arrangement of images, materials, pieces of text, etc. that is intended to evoke or project a particular style or tonality.

Period of eligibility of costs:

• The period of eligibility of costs is established on page 2 of this document and will be indicated in the Agreement.

Producer:

• The person responsible for finding and launching an audiovisual project. This includes being responsible for the creative, financial, and managerial aspects of the making of a film or TV production. A producer oversees all elements of pre-production, production, and post-production, right up to release.

Public Cultural Organisations:

 Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, Malta International Contemporary Arts Space, Festivals Malta, and the National Agency for Performing Arts.

Resubmitted proposals

• A project/proposal that was submitted through a previous call can be re-submitted only if the project/proposal has undergone considerable changes or if new elements have been developed since the last submission. On re-submission, the applicant is to present a report/statement clearly highlighting the changes that have been effected.

Start of works:

Means the earlier of either the commencement of the period of eligibility of costs or the signing
of a legally binding agreement for the acquisition of any products or services relating to the
project, that makes the project irreversible. Preparatory works are not considered start of
works.



Treatment:

• A detailed summary which normally lays out the structure of the whole story and communicates the world, the characters, important scenes, sequences, and story points; working as a roadmap for the reader, producer and writer.

Undertaking:

• An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.

Undertaking in difficulty:

- Undertaking in difficulty means an undertaking in respect of which at least one of the following circumstances occurs:
 - o In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, "limited liability company" refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU of the European Parliament and of the Council and "share capital" includes, where relevant, any share premium.
 - o In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, "a company where at least some members have unlimited liability for the debt of the company" refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
 - o Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
 - o Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
 - o In the case of an undertaking that is not an SME, where, for the past two years:
 - the undertaking's book debt to equity ratio has been greater than 7.5; and
 - the undertaking's EBITDA interest coverage ratio has been below 1.0.



3. Eligibility

Projects will first be screened in terms of eligibility. Ineligible proposals in terms of the points below will not be processed further and will not undergo evaluation.

Maximum eligible timeframe to implement the project:

For fiction, 36 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2027.

For documentaries, 60 months from the result notification date, where the period of eligibility of costs is between 22nd November 2024 and 22nd November 2029.

3.1 Who can apply?

The grant is open to undertakings (for which assistance will be granted in line with the General Block Exemption Regulation), within the meaning of Article 107 TFEU [kindly refer to Section 9 of these guidelines for additional information].

Applicants must qualify as the following:

• Independent Audiovisual Entities as defined in these guidelines.

Furthermore, applicants must meet all the following criteria:

- At least one directorship or the majority shareholding of the juridical entity must be ultimately held by Maltese citizens or persons who hold a permanent residence status in Malta.
- Be registered with the applicable regulating body at the time of submission of their applications.
- Be in possession of a VAT registration certificate.
- Where applicable, be the originator of the project, script or treatment or have majority rights (unless the applicant is a minority co-producer) relating to the project for which support is being requested.
- Submit a complete application under this Strand before the start of works.
- By submitting the application, the applicant declares to be in possession of a complete chain of title. The chain of title documents shall be required only if the project is supported and prior to the signing of the support agreement. If the chain of title is incomplete, ACM will have the right to withdraw any support given.

In the case of more than one producer, the application must be filled by one entity. The producers participating in the co-production must reach an agreement on this point and include a joint declaration which should be included in the application.

3.2 Who cannot apply?

- Applicants shall be excluded from applying for support if they, or, where applicable, the shareholders or persons having powers of representation or decision-making:
 - i. have been convicted by final judgement of any of the following offences: participation in a criminal organisation, corruption, fraud, money laundering, child labour, human trafficking;



- ii. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind; or
- iii. have been convicted by final judgement of serious professional misconduct or any other offence relating to professional integrity.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:
 - a copy of their Maltese ID card (including both front and back); or Maltese residence permit; or Maltese citizenship certificate; or Maltese passport.
- Applicants who do not qualify under the definition of applicant for this specific Strand.
- Beneficiaries who have not honoured previous funding commitments.
- Entities who have not presented the required annual documentation to the Malta Business Registry.
- Organisations/activities receiving local public funds through established government line-votes.

3.3 What costs can be covered?⁴

Screen Support Scheme – Production – Strand 4: Production (Feature-length) may cover up to 50% / up to 60% in the case of co-productions which involve more than one EU member State / up to 100% in the case of difficult audiovisual work of the below indicated eligible costs (up to a maximum of \leq 300,000, in the case of minority co-productions - \leq 50,000, whichever is the lowest).

The eligible direct costs are identifiable as specific costs directly linked to the production of the work such as:

- Acquisition of necessary rights (including music clearance, archive materials);
- Catering provided on set;
- Co-/Producers' fee;
- Consumables and supplies;
- Contingency, not exceeding 10% of the total production budget;
- Economy accommodation;
- Fees for consultation, research and advice from professionals regarding for example, accounting, auditing, financing, legal, marketing, impact, editing and other related professional consulting;
- Health and safety measures;
- Hire/purchase of equipment and technology (purchase of equipment will only be considered if deemed necessary to the project);
- Insurance;
- Labour costs (above the line and below the line): Personnel and talent working under an employment contract with the applicant and assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration,

⁴ All costs will be considered only if these resources are not already covered/cannot be covered by the applicants or supporting/partner organisations.



provided that these costs are in line with the applicant's usual policy on remuneration or, where applicable, those of its partners;

- Location fees;
- Marketing, PR, and communications;
- Non-recoverable value added tax (VAT), where applicable;
- Other fees directly related to project implementation (including but not limited to mentors, service providers, participation fees, linguistic fees, etc.);
- Post-production (including Editing crew/equipment/services; Sound Design including ADR and Foley; Music Rights and Composition; Colour Correction; Subtitling; Credits and trailers);
- Post-production project-based workshop (or similar event) fees and any related travel costs for Editor and/or Producer and/or Director including economy flights, economy accommodation, other travel costs, per diem not exceeding a maximum of €70 per person per night. All expenses are to be supported by receipts;
- Production services provided by the broadcaster, excluding renting of equipment, may either be charged to the project or considered as a contribution towards co-funding;
- Project management (including but not limited to: administration, coordination, development);
- Rentals and Services relating to the production;
- Renting of spaces;
- Research costs (including archive research, audience research, research for partners, investors and co-producers, researchers' fees);
- Subscriptions to virtual platforms or other digital services where relevant (such as scriptwriting software, etc.);
- Subtitling;
- Teaser/trailer;
- Transcription, dubbing and captioning;
- Translation from original language to any other European language;
- Transportation expenses;
- Travel costs (economy flights, economy accommodation, other travel expenses, per diems not
 exceeding a maximum of €70 per person per night and to be supported by receipts) and
 accreditation fees for international markets/pitching forums/festivals or events to seek
 partners (e.g. co-producers, sales agent, distributors, broadcasters, platforms, festivals). In the
 case of creative documentaries, production costs of a teaser and/or trailer and/or sequence of
 research material (maximum 7 minutes) to demonstrate visual approach, style and tone to
 potential buyers;
- Travel (economy class), including, but not limited to, public transport, air travel, car/vehicle rental;
- Travel VISA;
- VFX and similar services.

In the case of in-house services, a signed declaration by the director of the juridical entity together with evidence of possession of equipment (if applicable) shall suffice.

For the purposes of calculating aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary. In those cases where, following pre-production support the resulting script or project is made into an audiovisual work, the pre-production costs shall be incorporated in the overall budget and taken into account when calculating the aid intensity.



For more information about presenting your budget, refer to our General Budget Guidelines, available <u>here</u>.

3.4 What costs cannot be covered?

- Budgets exceeding 100% of the project expenditure;
- Costs already covered by public cultural organisations, or another public funding programme managed or co-managed by Arts Council Malta or other public agency, government department, or Ministry;
- Costs declared by the beneficiary and covered by another grant of the Government of Malta or the European Union: Financial support awarded under this scheme may be awarded in addition to financial support granted by other granting authorities (under multiple support schemes), provided that this is not explicitly excluded by the guidelines or regulations of the other granting authorities and provided that such cumulative support does not surpass the actual costs incurred and the intensity aid limits, as applicable;
- Costs incurred before submission of application;
- Costs incurred before the start of works;
- Costs incurred by a co-producer who will not be a co-beneficiary of an agreement in case of selection;
- Costs that are not directly linked to the project;
- Debt and debt service charges;
- Doubtful debts;
- Excessive or reckless expenditure;
- Exchange losses;
- Fees for services provided by public cultural organisations or other public agency, government department, or Ministry;
- Indirect producers' fees and contingencies;
- Interest owed;
- Provisions for losses or debts;
- Recoverable VAT, where applicable;
- Retroactive costs;
- Return on capital;
- Subsistence, catering (excluding catering provided on set), and hospitality.

All costs eligible for funding under this scheme must be necessary and reasonable for the completion of the project and consistent with the principles of sound financial management and accounting practices.

3.5 What applications are eligible for support?

Projects must satisfy at least ONE of the following criteria:

- Producer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Writer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Director/s is a Maltese citizen or holds a permanent residence status in Malta.

The following fiction, animation and documentary projects are eligible:



- Feature-length intended for theatrical, festivals, TV, VOD;
- TV series (Pilot Episode; Subsequent Episodes individually or as an entire season; entire Mini-Series - applies to new series but also to new seasons of an existing series).

Moreover, support shall only be granted to Audiovisual Projects that are cultural products. Projects shall be considered cultural products if they:

- make a contribution to Maltese and/or European culture; or
- make a contribution to the development of the film and TV industry in Malta and/or Europe; or
- be considered cultural in light of their content.

The evaluators shall verify the above in accordance with the parameters of eligibility as established by the ACM for each of the above cultural criteria. Projects declared non-cultural shall not be awarded any aid. Click <u>here</u> to download the Cultural Test, applicants are required to fill it in and upload it in the appropriate field when submitting the application through the ACM's CRM.

3.6 What applications are not eligible for support?

- Activities that are not related to culture, arts, and the creative industries;
- Activities whose objective is fundraising or political propaganda;
- Advertising, corporate, training and/or promotional films or infomercials;
- Applications submitted after noon (12:00) of the respective day of deadline;
- Applications submitted by public entities with or without a line vote;
- Applications which do not qualify under the definition of audiovisual production for this specific Strand;
- Incomplete applications (refer to application checklist in section 5.1);
- Initiatives eligible under Festivals Malta, Annual Cultural Activities Scheme, VOPS, National Book Council, Valletta Cultural Agency, or Malta Arts Scholarships;
- Projects including and/or promoting political propaganda;
- Projects of which costs entirely fall outside the eligible timeframe;
- Projects promoting violence, racism, and pornographic content and content violating the Maltese Constitution;
- Projects that would have been finished before the result is notified to applicant(s);
- Reality shows, magazine and lifestyle programmes, culture programmes, discussion programmes, quizzes and game shows, advertorials, light entertainment;
- Resubmitted proposal that does not include considerable changes or new elements when compared with a previous submission or that does not include a report/statement clearly highlighting the changes that have been effected.

Any other activity that falls outside the scope of Screen Support Scheme – Production – Strand 4: Production (Feature-length) is not eligible for support.

Applicants can submit more than one application under the same call, however, only one of the applications can be funded per strand.



4. Evaluation

The Evaluation Board will base its decision upon the following criteria:

4.1 Criterion 1: Concept (45 marks)

This criterion considers the quality, strength and originality of the concept and script/treatment and the potential to reach both national and international audiences. The following points will be assessed:

- Concept and script/treatment show originality (theme, perspective, visual approach); (15 marks)
- Vision and style; (15 marks)
- Strong proposal with potential to reach both national and international audiences. (15 marks)

4.2 Criterion 2: Project Management (15 marks)

This criterion considers the level of commitment and preparation prior to the proposal as well as the proposed plan to deliver and achieve the aims targeted. The following points will be assessed:

- The relevant experience of the creative team (including at international level); (5 marks)
- The production capacity and willingness to successfully produce the proposed work; (5 marks)
- Financial and legal reputation of the creative team. (5 marks)

4.3 Criterion 3: Audience Engagement and Circulation Potential (25 marks)

This criterion considers the engagement and the development of established and new audiences. Engagement refers to the role, the nature of involvement, and the experience offered to the audience.

Circulation potential refers to potential for festival participation (and recognition) and international distribution, as well as the potential to stimulate interest from co-producers, festivals, markets, sales agents, distributors and/or broadcasters/platforms. The following points will be assessed:

- Define the target audiences and explain how these audiences will be reached. Provide an outline of the marketing, PR, and communications plan as deemed relevant to the proposed programme/s of activities. Explain the reasons for the chosen methods. (10 marks)
- Screening, Festival and Market potential; the level of distribution in different territories Letter(s) of interest from distributors and other industry players. (10 marks)
- Letter(s) of interest or signed contracts for co-production, if available. (5 marks).

4.4 Criterion 4: Budget and Financing Plan (15 marks)

This criterion considers the quality and viability (industry standard) of the budget and the financing plan. The following points will be assessed:

• Provide a clear budget breakdown including expenses directly related to the proposed production. (8 marks)



• Provide a financing plan (overall quality and viability of the financing strategy; level of confirmed financing - evidenced by signed agreements and/or letters of intent). (7 marks)

5. Submitting the application

Follow these steps to apply:

- 1. Read these guidelines and regulations very carefully.
- 2. Check whether your proposal can be addressed by this scheme.
- 3. Press the <u>link</u> that will take you to the online application system.
- 4. If you do not have a profile, create your profile with Arts Council Malta by clicking on Register and filling in the details.
- 5. From the open calls section, select the online application for the Strand you intend to apply for
- 6. Follow the instructions step by step. Fill in all required information from the online application, including the budget, and attach the supporting documentation.
- 7. Submit the application. You should be receiving an automatic acknowledgement by the system. If you do not receive such a notification, contact us on <u>applyforfunds@artscouncil.mt</u>.

Applicants are required to register a profile on the ACM's CRM at least two weeks prior to the deadline of the call.

In case of difficulty, or if you would like to consult us regarding this fund, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00, or send an email on <u>fundinfo@artscouncil.mt</u>.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed and evaluated.

Prior to the application deadline, Arts Council Malta representatives will not be checking your application forms. It is solely at Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation following the call deadline.

Upon submission of the application, applicants accept that should the application be awarded funding, the name, the project title, and the amount awarded can be published by Arts Council Malta.

A decision on funding will be made on the strength of the submitted information and supporting documents.

Applications handed in after 12.00 (noon) of the respective deadline cannot be accepted.

5.1 Checklist

In order to be complete, applications must be accompanied by:

- A copy of the VAT certificate of registration;
- The most recent good standing certificate of registration This document is renewed annually by the Malta Business Registry and is proof of compliance;



- Copy of applicant (or applicant's majority shareholder or director)'s Maltese ID card, Maltese residence permit, Maltese citizenship certificate or Maltese passport;
- Bio notes of key contributors to the project;
- A declaration that the applicant does not qualify as an undertaking in difficulty as defined in these guidelines;
- Creative project package:
 - i. Logline
 - ii. Synopsis
 - iii. Script (advanced draft) / treatment in the case of creative documentary
 - iv. Writers' statement of intent (maximum 1 page)
 - v. Director's notes (maximum 1 page)
 - vi. Brief description of target audience and intended strategy at the end of the process (festival and market strategy etc.) (maximum 1 page)
 - vii. a teaser, trailer, sequence of research material (maximum 7 minutes) or at least photos to demonstrate main characters (if applicable), intended visual approach, style and tone in the case of creative documentary projects.
 - viii. Animation Pack (which includes drawings that can demonstrate intended visual approach and style to be taken; character design (including characters in pose or action) and, if available, Animation Bible for animation projects;
 - ix. Series Bible (Log line, story in detail, character description, tone and structure of world) in the case of series;
- Budget (summary top sheet and detailed clearly indicating the net amount and the VAT amount);
- Financing plan;
- Shooting schedule (work plan in case of documentaries/animation);
- Applications with a co-production agreement in place will only be considered if the applicant can provide the duly signed co-production agreement or deal-memo. The agreement or deal-memo should include industry standard clauses including, amongst other things, clauses which regulate the sharing of rights and the creative input of each producer.

Optional documentation (if available):

- Letter(s) of intent, deal-memos or agreements from financing partners and buyers;
- Co-development and/or co-production agreement(s), deal-memos or letter(s) of interest;
- Previous works;
- Producer's statement; Brief Description of the characters; storyboard; mood board.

Files up to 5MB may be attached directly in the application form, larger files may be provided as a link that does not expire and does not require identity verification.

6. Evaluation process

This scheme is competitive and will be evaluated by a panel of sectoral experts according to established criteria.



As specified above, each criterion is allocated a number of specific marks. In order to be considered for funding, projects have to obtain an average of at least 60 marks.

Nevertheless, the evaluation session and funding decisions depend on the quality of the submitted proposals and on the availability of the funds. Therefore, obtaining 60 marks or more does not automatically mean that you will be awarded the funds. The Evaluation Board may decide not to allocate the total funds available for a particular call if the proposed projects do not reach the required level in terms of the fund criteria.

Eligible applications will be assessed by an evaluation team selected by the Council on the basis of their professional experience in the film industry. Arts Council Malta will select evaluators on the basis of their independent and professional experience. The evaluators will present an assessment on each of the proposed eligible projects, indicating the relevant ratings awarded.

6.1 Shortlisting

The evaluation board will meet during an initial evaluation session in which all eligible applications will be discussed. All applications will be given a score, and those scoring 60 marks and higher, will be shortlisted. The shortlisted applications will be invited to attend a pitching session.

The pitching session is not compulsory, and it is up to the applicant to accept to attend the pitching session, or not. Shortlisted applicants who opt out from attending a pitching session will not be penalised. It is solely at the evaluators' discretion to invite any applicant scoring less than 60 marks in total but obtains a minimum of 25 marks under Criterion 1, to attend a pitching session.

All applications, including those that are not shortlisted, will receive the official result notification together with a copy of the feedback form on the result date as indicated on page 2 of this document.

6.2 Pitching

The aim of the pitching session is to create an opportunity for applicants to make a case for their projects to the evaluators. The project applications would already have been reviewed by the evaluators and the fund managers before the pitching session. The writer, director, and producer may be present for the pitching session.

During the session, the applicant has the opportunity of presenting comments, latest insights, and additions to the already submitted project description.

The pitch can be presented in a variety of formats, including but not limited to: visual aids, PowerPoint presentations, audio, etc., but should not be longer than five (5) minutes. During the pitch, applicants are expected to explain the project's artistic vision and to communicate how the project will be implemented. This five-minute pitch will be followed by a Q&A session with the panel of evaluators.

6.3 Communication of results

On the day indicated on page 2, you will receive your result notification from Arts Council Malta. Together with the covering letter, we will also attach a copy of the evaluation form, indicating the reasons and marks leading to the Evaluation Board's decision, according to the fund criteria.



The order of classification of the projects, according to the marks allocated by the evaluators, will be published online. Only the names of the successful projects will be published; in the case of projects which have not been awarded any funds, only their reference number will be published.

If you have any difficulties concerning your results, you should email us on <u>fundinfo@artscouncil.mt</u> within five (5) days of receiving your funding decision.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received by the Senior Fund Executive, Fund Manager and Evaluators will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful projects will be included in the grant agreement.

7. Project implementation and monitoring

Beneficiaries must provide full documentation to support the application and budget plan within 6 months from receipt of the notification letter. For duly justified reasons, the Council may extend such a period of validity. The Council will accept a variation of up to 10% from the proposed total budget. The contingency indicated in the budget plan will support any variations from the proposed total budget. Under no circumstances will the Council be in a position to increase the grant awarded.

Upon provision and approval of the above mandatory documentation, a contract specifying the conditions of the fund will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

70% of the total amount allocated by the Evaluation Board will be processed after the signing of the contract. The final payment of 30% after the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use the Arts Council's logo on all related material and specify that the project was supported by the grant as follows: **Supported by Arts Council Malta**, in all marketing, PR, and printed material. Arts Council Malta shall also be accorded a screen credit. The grant received must be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the nature of the project take place during implementation. Changes cannot be implemented unless approval is received. It is the responsibility of the Beneficiary to justify changes, such changes shall not be withheld if these are customarily accepted in the international film industry.

Arts Council Malta reserves the right to revise or withhold the final payment if the change in the project is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.



Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes, both during the implementation of the project as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that stated in the signed agreement.

7.1 Report

At the end of your project, you will be required to submit a detailed report highlighting the work carried out and the project achievements, by no later than 3 months after your project is concluded. Arts Council Malta will provide a template for your report. If relevant, together with this report, beneficiaries must submit a copy of the film or work, copies of any relevant marketing, publicity, or information material developed for the funded project.

You will also be required to present the final detailed budget together with all supporting documents including certified accounts signed by a warranted accountant/auditor.

Arts Council Malta retains the right to make use of submitted project material.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.

8. Complaints procedure

Filing a complaint will not affect your chances of receiving support from Arts Council Malta in the future. All complaints will be treated with confidentiality.

8.1 Grounds for complaints

Applicants can make a complaint regarding procedural anomalies and irregularities during the submission and evaluation process in terms of the procedures stipulated in these guidelines and regulations. Complaints cannot be made concerning:

- Arts Council Malta's or the government's policies and procedures, and/or,
- The merits of the application in terms of the criteria stipulated in these guidelines and regulations.

Only applicants may file complaints concerning their project.

8.2 Filing a complaint

Complaints must be made in writing and must be as clear as possible. The complaint must state the grounds and the reasons for the complaint, providing a detailed explanation and justification supported by relevant documentation or testimonials as to why the complainant deems that irregularities were committed in the procedure/s stipulated in these guidelines and regulations or in standard good governance rules and regulations governing the public sector. The decision at the end



of the complaint process will be final. Complaints need to be made to the Director of Funding and Strategy, Arts Council Malta within five (5) working days of receipt of your funding decision. You will normally receive a reply to your complaint within ten (10) working days.

In case you are not satisfied with the reply, Arts Council Malta will convene a board that will discuss your complaint further. If you approach our complaints procedure, you are consequently accepting that we can use information about your project to address the complaint. The decision of the board is final.

9. Applicability of State aid rules

This scheme is applicable to:

• Independent Audiovisual Entities as defined in these guidelines.

For the purposes of State aid rules, such applicants are deemed as undertakings that carry out an economic activity within the meaning of Article 107 TFEU. The terms and conditions set out in these guidelines will be implemented in line with Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs, by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, by Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, by Commission Regulation (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as may be subsequently amended [hereinafter referred to as the General Block Exemption Regulation].

This scheme is not applicable to the following:

- a. Activities listed in Article 1 (2), (3), (4) and (5) of the General Block Exemption Regulation [where applicable].
- b. Undertakings in difficulty are in principle excluded from the scope of this scheme, unless the undertaking was not in difficulty on 31 December 2019 but became an undertaking in difficulty in the period from 1 January 2020 to 31 December 2021.

Furthermore, assistance may not be granted if the aid is:



- a. Related to export activities towards third countries or member states, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network, or to other current expenditure linked to export activity.
- b. Contingent upon the use of domestic in preference to imported goods.
- c. In favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.

For the purposes of calculating the aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

Rules on cumulation of aid will be in line with Article 8 of the General Block Exemption Regulation.

In line with Article 9(1)(c) of the General Block Exemption Regulation, information regarding any individual aid awards that exceed €100,000 are to be made publicly available on the national State Aid website.

Need advice?

ACM offers pre-submission consultation services to help you secure support for your project. We are there every step of the way. We can help you determine whether the core concept and profile of your project are in line with the targeted support mechanism and provide feedback on the way you plan to present your project. Plan ahead and get in touch with us at least four weeks before the submission deadline to make the best use of our services.

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or to send us an email on <u>fundinfo@artscouncil.mt</u>.

Guidelines updated on 05th August 2024.

Screen Support Scheme Production Strand 5: Cultural Programmes

Guidelines and Regulations 2024



ISSUED: AUGUST 2024*

*The version issued in August 2024 supersedes the version issued in July 2024.



ALLOCATIONS

SESSION BUDGET	MAXIMUM ELIGIBLE AMOUNT PER PROJECT
€120,000	€20,000

CO-FUNDING	DISBURSEMENT
The fund may cover up to 80% of total project costs	70% upon signing of the grant agreement 30% following approval of the final report

TIMEFRAMES

DEADLINE	RESULTS	ELIGIBLE TIMEFRAME
24th September 2024	21st November 2024	22nd November 2024 – 22nd November 2027 (Broadcasts starting from October 2025)



1. Introduction

The aim of the Screen Support Scheme – Production – Strand 5: Cultural Programmes is to incentivise the production of difficult audiovisual works with cultural and creative content, on private broadcasting stations, in order to enhance the quality of audiovisual productions in Malta on arts and culture. The Strand will be limited to the production of cultural programmes.

The Strand targets eligible productions on private television stations that require investment to develop works that often lack access to private funding. The scheme provides financial support in the form of a grant to independent audiovisual entities to produce quality-driven audiovisual productions and may include mentoring by a highly experienced film industry expert appointed by Arts Council Malta ("ACM").

The Strand aims to support ambitious audiovisual creations and to encourage the production of original cultural programmes.

Support can be provided to eligible applicants for their involvement in international co-productions (as majority or minority partners) as long as the application is submitted by the eligible applicant and a co-production agreement is in place (according to industry standards). Projects must display artistic and/or technical co-operation between the co-production partners.

2. Definitions

Applicant:

- An applicant must be an Independent Audiovisual Entity. Applicants cannot be employees of Arts Council Malta or involved in the management of the *Screen Support Scheme Production Strand 5: Cultural Programmes.* The applicant's NACE code must be one of the following:
 - o J59.11 Motion picture, video, and TV programme production activities
 - o J59.12 Motion picture, video, and TV programme post-production activities
 - o J59.13 Motion picture, video, and TV programme distribution activities

Application:

• An application is a submission, inclusive of all mandatory documents and any annexes to the application form made by an eligible applicant.

Audiovisual production/project:

• For the purposes of this Strand, an audiovisual production/project refers to a cultural programme. It may include works of fiction, documentary, or animation.

Beneficiary:

• The beneficiary is the recipient of the grant. The beneficiary is responsible for the implementation of the proposal supported by the scheme. The beneficiary of the grant may not be changed throughout the duration of the funded project and until the final disbursement is issued. The disbursement of the grant may only be issued on behalf of the beneficiary. The



beneficiary is responsible to ensure that any VAT invoices are issued on behalf of the beneficiary and include the beneficiary's VAT information.

Broadcast:

 The initial transmission of television programmes or of any audiovisual material intended for reception by the public or any electronic communications network and any electronic communications service as defined in Article 2 of the Electronic Communications (Regulation) Act (CAP 399 of the Laws of Malta), but does not include retransmissions and communication services providing items of information or other messages on individual demand, such as telecopying, electronic data banks, and other similar services.

Broadcaster:

 Any person providing television broadcasting services as provided for in the Broadcasting Act (CAP 350 of the Laws of Malta), and also includes any person, body, or authority providing such services under licence from or under arrangements with the government. 'Television broadcasting service' means all the items within a single television service provided by a given broadcaster. See list of applicable broadcasters <u>here</u>.

Culture programmes:

• Original audiovisual productions/projects that fall within the definition of a difficult audio-visual work and promote culture and the arts, presenting specific or various aspects of cultural and artistic works/projects. These include discussion programmes on culture and creativity and behind-the-scenes interviews. It may include works of fiction, documentary, or animation.

Chain of title:

• All of the agreements/documentation that evidences the sequence of transfers of title to a work.

Difficult audiovisual work:

• Includes audio-visual works by first-time and second-time directors, short films, documentaries, low budget productions (i.e. the total production budget does not exceed €1,500,000), works whose original version is in the Maltese language, or otherwise commercially difficult works.

Eligibility:

• Applications will first be screened in terms of technical and artistic eligibility by the fund administrators and managers. Proposals which are not considered eligible in terms of the set criteria will not be processed further and will not undergo evaluation.

Evaluation:

• Applications deemed compliant and eligible are evaluated against the criteria established in these guidelines by the appointed evaluators.

Evaluators:

• Arts Council Malta appoints an evaluation team for each call under the scheme. The Arts Council may appoint both local and foreign professionals in the TV and film sectors.

Independent Audiovisual Entity:

• An Independent Audiovisual Entity is a juridical person duly registered in Malta, as a limited liability company, a partnership en Commandite or that establishes a branch or place of



business in Malta under Part XI Chapter 1 of the Companies Act (CAP 386 of the Laws of Malta), and whose principal activity consists in developing and producing audiovisual works and is tax resident in Malta. It is considered independent if its origins are independent of the state, or public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies. The entity's stocks or shares may not belong to the state, public and/or parastatal entities, public or private broadcasting organisations, streaming platforms or telecom companies.

Language:

• The original language of the audiovisual work needs to be Maltese.

Management and administration:

• Arts Council Malta is responsible for the management of this scheme. All official correspondence, including the submission of applications, must be sent to the address indicated in these guidelines.

Mandatory documentation:

• Any document(s) needed to support your proposal and aid the evaluation of your project.

Maximum funding:

• There is a maximum funding allocation per project, with a ceiling amount of €20,000. This will be decided on a case-by-case basis depending on the project.

Mood board:

• A visual tool intended to communicate the filmic concepts of a particular project. It is a well-thought-out and planned arrangement of images, materials, pieces of text, etc. that is intended to evoke or project a particular style or tonality.

Period of eligibility of costs:

• The period of eligibility of costs is established on page 2 of this document and will be indicated in the Agreement.

Producer:

• The person responsible for finding and launching an audiovisual project. This includes being responsible for the creative, financial, and managerial aspects of the making of a film or TV production. A producer oversees all elements of pre-production, production, and post-production, right up to release.

Public Cultural Organisations:

 Public cultural entities falling under the remit of Arts Council Malta which include Teatru Manoel, Mediterranean Conference Centre, Malta Philharmonic Orchestra, Fondazzjoni Kreattività, Pjazza Teatru Rjal, Valletta Cultural Agency, Malta International Contemporary Arts Space, Festivals Malta and the National Agency for Performing Arts.

Resubmitted proposals

• A project/proposal that was submitted through a previous call can be re-submitted only if the project/proposal has undergone considerable changes or if new elements have been developed since the last submission. On re-submission, the applicant is to present a report/statement clearly highlighting the changes that have been effected.



Start of works:

• Means the earlier of either the commencement of the period of eligibility of costs or the signing of a legally binding agreement for the acquisition of any products or services relating to the project, that makes the project irreversible. Preparatory works are not considered start of works.

Treatment:

• A detailed summary which normally lays out the structure of the whole story and communicates the world, the characters, important scenes, sequences, and story points; working as a roadmap for the reader, producer and writer.

Undertaking:

• An undertaking is defined as an entity engaged in an economic activity within the meaning of Article 107 TFEU (i.e. any activity consisting in offering goods and services on a market), regardless of its legal status and the way in which it is financed. The classification of a particular entity as an undertaking depends entirely on the nature of its activities. The application of the State aid rules does not depend on whether the entity is set up to generate profits. Non-profit entities can also offer goods and services on a market. Where this is not the case, non-profit entities remain outside the scope of State aid. Furthermore, the classification of an entity as an undertaking is always relative to a specific activity. An entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regard to the former.

Undertaking in difficulty:

- Undertaking in difficulty means an undertaking in respect of which at least one of the following circumstances occurs:
 - o In the case of a limited liability company (other than an SME that has been in existence for less than three years), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, "limited liability company" refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU of the European Parliament and of the Council and "share capital" includes, where relevant, any share premium.
 - o In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, "a company where at least some members have unlimited liability for the debt of the company" refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.
 - o Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.
 - o Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.
 - o In the case of an undertaking that is not an SME, where, for the past two years:



- the undertaking's book debt to equity ratio has been greater than 7.5; and
- the undertaking's EBITDA interest coverage ratio has been below 1.0.

3. Eligibility

Projects will first be screened in terms of eligibility. Ineligible proposals in terms of the points below will not be processed further and will not undergo evaluation.

Maximum eligible timeframe to implement the project: 36 months from the result notification date. Projects supported through the 2024 session may be broadcast as from October 2025 to allow enough time for development and production. The period of eligibility of costs is between 22nd November 2024 and 22nd November 2027.

3.1 Who can apply?

The grant is open to undertakings (for which assistance will be granted in line with the General Block Exemption Regulation), within the meaning of Article 107 TFEU [kindly refer to Section 9 of these guidelines for additional information].

Applicants must qualify as the following:

• Independent Audiovisual Entities as defined in these guidelines.

Furthermore, applicants must meet all the following criteria:

- At least one directorship or the majority shareholding of the juridical entity must be ultimately held by Maltese citizens or persons who hold a permanent residence status in Malta.
- By submitting the application, the applicant declares to be in possession of a complete chain of title. The chain of title documents shall be required only if the project is supported and prior to the signing of the support agreement. If the chain of title is incomplete, ACM will have the right to withdraw any support given.
- Be in possession of a VAT registration certificate.
- Be registered with the applicable regulating body at the time of submission of their applications.
- The original language of the audiovisual work needs to be Maltese.
- Where applicable, be the originator of the project, script or treatment or have majority rights (unless the applicant is a minority co-producer) relating to the project for which support is being requested.
- Submit a complete application under this Strand before the start of works.

In the case of more than one producer, the application must be filled by one company. The producers participating in the co-production must reach an agreement on this point and include a joint declaration which should be included in the application.



3.2 Who cannot apply?

- Applicants shall be excluded from applying for support if they, or, where applicable, the shareholders or persons having powers of representation or decision-making:
 - i. have been convicted by final judgement of any of the following offences: participation in a criminal organisation, corruption, fraud, money laundering, child labour, human trafficking;
 - ii. are in a situation of bankruptcy, liquidation, termination of activity, insolvency or arrangement with creditors or any like situation arising from a procedure of the same kind, or subject to a procedure of the same kind; or
 - iii. have been convicted by final judgement of serious professional misconduct or any other offence relating to professional integrity.
- Applicants whose profile is not verified due to it being incomplete for not having the below mandatory documents:
 - a copy of their Maltese ID card (including both front and back); or Maltese residence permit; or Maltese citizenship certificate; or Maltese passport.
- Applicants who do not qualify under the definition of applicant for this specific Strand.
- Beneficiaries who have not honoured previous funding commitments.
- Entities who have not presented the required annual documentation to the Malta Business Registry.
- Organisations/activities receiving local public funds through established government line-votes.

3.3 What costs can be covered?⁵

Screen Support Scheme – Production – Strand 5: Cultural Programmes may cover up to 80% of the below indicated eligible costs (up to a maximum of €20,000, whichever is the lowest).

The eligible direct costs are identifiable as specific costs directly linked to the production of the work such as:

- Acquisition of necessary rights (including music clearance, archive materials);
- Co-/Producers' fee;
- Consumables and supplies;
- Contingency, not exceeding 10% of the total cost;
- Economy accommodation;07
- Fees for consultation, research and advice from professionals regarding for example, accounting, auditing, financing, legal, marketing, impact, editing and other related professional consulting;
- Health and safety measures;
- Hire/purchase of equipment (purchase of equipment will only be considered if deemed necessary to the project);

⁵ All costs will be considered only if these resources are not already covered/cannot be covered by the applicants or supporting/partner organisations.



- Insurance;
- Labour costs (above the line and below the line): Personnel and talent working under an employment contract with the applicant and assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration or, where applicable, those of its partners;
- Location fees;
- Marketing, PR, and communications;
- Non-recoverable value added tax (VAT), where applicable;
- Other fees directly related to project implementation (including but not limited to mentors, service providers, participation fees, linguistic fees, etc.);
- Post-production (including Editing crew/equipment/services; Sound Design including ADR and Foley; Music Rights and Composition; Colour Correction; Subtitling; Credits and trailers);
- Production services provided by the broadcaster, excluding renting of equipment, may either be charged to the project or considered as a contribution towards co-funding;
- Project management (including but not limited to: administration, coordination, development);
- Rentals and Services relating to the production;
- Renting of spaces;
- Research costs (including archive research, audience research, research for partners, investors and co-producers, researchers' fees);
- Subscriptions to virtual platforms or other digital services where relevant (such as scriptwriting software, etc.);
- Subtitling;
- Teaser/trailer;
- Transcription, dubbing and captioning;
- Translation from Maltese to any other European language;
- Transportation expenses;
- Travel (economy class), including, but not limited to, public transport, air travel, car/vehicle rental;
- Travel VISA;
- VFX and similar services.

In the case of in-house services, a signed declaration by the director of the juridical entity together with evidence of possession of equipment (if applicable) shall suffice.

For the purposes of calculating aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

For more information about presenting your budget, refer to our General Budget Guidelines, available <u>here</u>.



3.4 What costs cannot be covered?

- Any costs exceeding the maximum amount awarded to the project;
- Costs already covered by public cultural organisations, or another public funding programme managed or co-managed by Arts Council Malta or other public agency, government department, or Ministry;
- Costs declared by the beneficiary and covered by another grant of the Government of Malta or the European Union: Financial support awarded under this scheme may be awarded in addition to financial support granted by other granting authorities (under multiple support schemes), provided that this is not explicitly excluded by the guidelines or regulations of the other granting authorities and provided that such cumulative support does not surpass the actual costs incurred and the intensity aid limits, as applicable;
- Costs incurred before submission of application;
- Costs incurred before the start of works;
- Costs incurred by a co-producer who will not be a co-beneficiary of an agreement in case of selection;
- Costs that are not directly linked to the project;
- Debt and debt service charges;
- Doubtful debts;
- Excessive or reckless expenditure;
- Exchange losses;
- Fees for services provided by public cultural organisations or other public agency, government department, or Ministry;
- Indirect producers' fees and contingencies;
- Interest owed;
- Provisions for losses or debts;
- Recoverable VAT, where applicable;
- Retroactive costs;
- Return on capital;
- Subsistence, catering, and hospitality.

All costs eligible for funding under this scheme must be necessary and reasonable for the completion of the project and consistent with the principles of sound financial management and accounting practices.

3.5 What applications are eligible for support?

Projects must satisfy at least ONE of the following criteria:

- Producer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Writer/s is a Maltese citizen or holds a permanent residence status in Malta;
- Director/s is a Maltese citizen or holds a permanent residence status in Malta.

Moreover, support shall only be granted to Audiovisual Projects that are cultural products. Projects shall be considered cultural products if they:

- make a contribution to Maltese and/or European culture; or
- make a contribution to the development of the film and TV industry in Malta and/or Europe; or



• be considered cultural in light of their content.

The evaluators shall verify the above in accordance with the parameters of eligibility as established by the ACM for each of the above cultural criteria. Projects declared non-cultural shall not be awarded any aid. Click <u>here</u> to download the Cultural Test, applicants are required to fill it in and upload it in the appropriate field when submitting the application through the ACM's CRM.

3.6 What applications are not eligible?

- Activities that are not related to culture, arts, and the creative industries;
- Activities whose objective is fundraising or political propaganda;
- Advertising, corporate, training, and/or promotional films or infomercials;
- Applications for audiovisual productions that are not in the Maltese language;
- Applications submitted after noon (12:00) of the respective day of deadline;
- Applications submitted by public entities with or without a line vote;
- Applications which do not qualify under the definition of audiovisual production for this specific Strand;
- Applications which do not qualify under the definition of difficult audiovisual work for this specific Strand;
- Incomplete applications (refer to application checklist in section 5.1);
- Initiatives eligible under Festivals Malta, Annual Cultural Activities Scheme, VOPS, National Book Council, Valletta Cultural Agency, or Malta Arts Scholarships;
- Projects including and/or promoting political propaganda;
- Projects of which costs entirely fall outside the eligible timeframe;
- Projects promoting violence, racism, and pornographic content and content violating the Maltese Constitution;
- Projects that would have been finished before the result is notified to applicant(s);
- Reality shows, quizzes and game shows, advertorials, light entertainment;
- Resubmitted proposal that does not include considerable changes or new elements when compared with a previous submission or that does not include a report/statement clearly highlighting the changes that have been effected.

Any other activity that may be developed outside the scope of Screen Support Scheme – Production – Strand 5: Cultural Programmes is not eligible for support.

Applicants can submit more than one application under the same call, however, only one of the applications can be funded per strand.

4. Evaluation

The Evaluation Board will base its decision upon the following criteria:

4.1 Criterion 1: Concept (45 marks)

This criterion considers the quality, strength and originality of the concept and script/treatment and the potential to reach audiences. The following points will be assessed:



- Concept and script/treatment (if applicable) show originality (theme, perspective, visual approach); (15 marks)
- Vision and style; (15 marks)
- Strong proposal with potential to reach audiences. (15 marks)

4.2 Criterion 2: Project Management (15 marks)

This criterion considers the level of commitment and preparation prior to the proposal as well as the proposed plan to deliver and achieve the aims targeted. The following points will be assessed:

- The relevant experience of the creative team (including at international level); (5 marks)
- The production capacity and willingness to successfully produce the proposed work; (5 marks)
- Financial and legal reputation of the creative team. (5 marks)

4.3 Criterion 3: Audience Engagement and Circulation Potential (25 marks)

This criterion considers the engagement and the development of established and new audiences. Engagement refers to the role, the nature of involvement, and the experience offered to the audience.

Circulation potential refers to potential for further distribution including international distribution, as well as the potential to stimulate interest from co-producers and/or broadcasters/platforms. The following points will be assessed:

- Define the target audiences and explain how these audiences will be reached. Provide an outline of the marketing, PR, and communications plan as deemed relevant to the proposed programme/s of activities. Explain the reasons for the chosen methods. (10 marks)
- Market potential; the level of potential distribution in different territories. (10 marks)
- Letter(s) of interest or signed contracts for co-production or international collaboration, if available. (5 marks).

4.4 Criterion 4: Budget and Financing Plan (15 marks)

This criterion considers the quality and viability (industry standard) of the budget and the financing plan (where applicable). The following points will be assessed:

- Provide a clear budget breakdown including expenses directly related to the proposed production. (8 marks)
- Provide a financing plan (overall quality and viability of the financing strategy; level of confirmed financing evidenced by signed agreements and/or letters of intent). (7 marks)

5. Submitting the application

Follow these steps to apply:

- 1. Read these guidelines and regulations very carefully
- 2. Check whether your proposal can be addressed by this scheme



- 3. Press the <u>link</u> that will take you to the online application system
- 4. If you do not have a profile, create your profile with Arts Council Malta by clicking on Register and filling in the details.
- 5. From the open calls section, select the online application for the Strand you intend to apply for
- 6. Follow the instructions step by step. Fill in all required information from the online application, including the budget, and attach the supporting documentation
- 7. Submit the application. You should be receiving an automatic acknowledgement by the system. If you do not receive such a notification, contact us on <u>applyforfunds@artscouncil.mt</u>.

Applicants are required to register a profile on the ACM's CRM at least two weeks prior to the deadline of the call.

In case of difficulty, or if you would like to consult us regarding this fund, you can call us on 2334 7230 Monday to Friday between 09:00 and 16:00, or send an email on <u>fundinfo@artscouncil.mt</u>.

It is your responsibility to present a complete application form as explained in these guidelines and regulations. If you do not present all the necessary information and documentation, your application will not be processed and evaluated.

Prior to the application deadline, Arts Council Malta representatives will not be checking your application forms. It is solely at Arts Council Malta's discretion to request that applicants provide any missing mandatory documentation following the call deadline.

Upon submission of the application, applicants accept that should the application be awarded funding, the name, the project title, and the amount awarded can be published by Arts Council Malta.

A decision on funding will be made on the strength of the submitted information and supporting documents.

Applications handed in after 12.00 (noon) of the respective deadline cannot be accepted.

5.1 Checklist

In order to be complete, applications must be accompanied by:

- A copy of the VAT certificate of registration;
- The most recent good standing certificate of registration This document is renewed annually by the Malta Business Registry and is proof of compliance;
- Copy of applicant (or applicant's majority shareholder or director)'s Maltese ID card, Maltese residence permit, Maltese citizenship certificate or Maltese passport;
- Letter of intent, deal-memos or agreements from broadcaster;
- Bio notes of key contributors to the project;
- A declaration that the applicant does not qualify as an undertaking in difficulty as defined in these guidelines;
- Creative project package:
 - i. Logline
 - ii. Brief description of the Cultural Programme / Synopsis
 - iii. Detailed description of the Cultural Programme / Script (advanced draft) / treatment;
 - iv. Writers' statement of intent (maximum 1 page)
 - v. Director's notes (maximum 1 page)



- vi. Brief description of target audience and intended strategy at the end of the process (market strategy etc.) (maximum 1 page)
- Budget (summary top sheet and detailed clearly indicating the net amount and the VAT amount);
- Financing plan (if budget exceeds maximum support);
- Shooting schedule/work plan;
- Applications with a co-production agreement in place will only be considered if the applicant can provide the duly signed co-production agreement or deal-memo. The agreement or deal-memo should include industry standard clauses including, amongst other things, clauses which regulate the sharing of rights and the creative input of each producer.

Optional documentation (if available):

- Letter(s) of intent, deal-memos or agreements from financing partners and buyers;
- Co-development and/or co-production agreement(s), deal-memos or letter(s) of interest;
- Previous works;
- Producer's statement; mood board.

Files up to 5MB may be attached directly in the application form, larger files may be provided as a link that does not expire and does not require identity verification.

6. Evaluation process

This scheme is competitive and will be evaluated by a panel of sectoral experts according to established criteria.

As specified above, each criterion is allocated a number of specific marks. In order to be considered for funding, projects have to obtain an average of at least 60 marks.

Nevertheless, the evaluation session and funding decisions depend on the quality of the submitted proposals and on the availability of the funds. Therefore, obtaining 60 marks or more does not automatically mean that you will be awarded the funds. The Evaluation Board may decide not to allocate the total funds available for a particular call if the proposed projects do not reach the required level in terms of the fund criteria.

Eligible applications will be assessed by an evaluation team selected by the Council on the basis of their professional experience in the film industry. Arts Council Malta will select evaluators on the basis of their independent and professional experience. The evaluators will present an assessment on each of the proposed eligible projects, indicating the relevant ratings awarded.

6.1 Communication of results

On the day indicated on page 2, you will receive your result notification from Arts Council Malta. Together with the covering letter, we will also attach a copy of the evaluation form, indicating the reasons and marks leading to the Evaluation Board's decision, according to the fund criteria.



The order of classification of the projects, according to the marks allocated by the evaluators, will be published online. Only the names of the successful projects will be published; in the case of projects which have not been awarded any funds, only their reference number will be published.

If you have any difficulties concerning your results, you should email us on <u>fundinfo@artscouncil.mt</u> within five (5) days of receiving your funding decision.

No information on the evaluation process will be released before the official result notification. Any form of soliciting will automatically disqualify an application.

All information received by the Senior Fund Executive, Fund Manager and Evaluators will be considered confidential, both during and after the evaluation process. Provisions on data protection and confidentiality for successful projects will be included in the grant agreement.

7. Project implementation and monitoring

Beneficiaries must provide full documentation to support the application and budget plan within 6 months from receipt of the notification letter. For duly justified reasons, the Council may extend such a period of validity. The Council will accept a variation of up to 10% from the proposed total budget. The contingency indicated in the budget plan will support any variations from the proposed total budget. Under no circumstances will the Council be in a position to increase the grant awarded.

Upon provision and approval of the above mandatory documentation, a contract specifying the conditions of the fund will be signed. The grant may only be awarded upon completion of the above process within the established timeframe.

70% of the total amount allocated by the Evaluation Board will be processed after the signing of the contract. The final payment of 30% after the submission of the final report by the beneficiary, following approval by Arts Council Malta.

The beneficiaries must use the Arts Council's logo on all related material and specify that the project was supported by the grant as follows: **Supported by Arts Council Malta**, in all marketing, PR, and printed material. Arts Council Malta shall also be accorded a screen credit. The grant received must be used solely for the purpose for which it was awarded, in line with the submitted proposal and the contract.

Beneficiaries must notify Arts Council Malta immediately if changes affecting the nature of the project take place during implementation. Changes cannot be implemented unless approval is received. It is the responsibility of the Beneficiary to justify changes, such changes shall not be withheld if these are customarily accepted in the international film industry.

Arts Council Malta reserves the right to revise or withhold the final payment if the change in the project is not considered to be in line with the initial proposal, or if the Council is not informed of the changes within a reasonable time.



Beneficiaries must make themselves available for visits and communication with Arts Council Malta representatives for monitoring purposes, both during the implementation of the project as well as after its completion.

Arts Council Malta also reserves the right to revise the final payment if the total expenditure is less than that stated in the signed agreement.

7.1 Report

At the end of your project, you will be required to submit a detailed report highlighting the work carried out and the project achievements, by no later than 3 months after your project is concluded. Arts Council Malta will provide a template for your report. If relevant, together with this report, beneficiaries must submit a copy of the work, copies of any relevant marketing, publicity, or information material developed for the funded project.

You will also be required to present the final detailed budget together with all supporting documents including VAT invoices and/or fiscal receipts, and a declaration of remuneration in the case of in-house services.

Arts Council Malta retains the right to make use of submitted project material.

Arts Council Malta retains the right to recover funds in case these are not being used and/or are misused and/or are not used according to the submitted budget.

8. Complaints procedure

Filing a complaint will not affect your chances of receiving support from Arts Council Malta in the future. All complaints will be treated with confidentiality.

8.1 Grounds for complaints

Applicants can make a complaint regarding procedural anomalies and irregularities during the submission and evaluation process in terms of the procedures stipulated in these guidelines and regulations. Complaints cannot be made concerning:

- Arts Council Malta's or the government's policies and procedures, and/or,
- The merits of the application in terms of the criteria stipulated in these guidelines and regulations.

Only applicants may file complaints concerning their project.

8.2 Filing a complaint

Complaints must be made in writing and must be as clear as possible. The complaint must state the grounds and the reasons for the complaint, providing a detailed explanation and justification supported by relevant documentation or testimonials as to why the complainant deems that irregularities were committed in the procedure/s stipulated in these guidelines and regulations or in



standard good governance rules and regulations governing the public sector. The decision at the end of the complaint process will be final. Complaints need to be made to the Director of Funding and Strategy, Arts Council Malta within five (5) working days of receipt of your funding decision. You will normally receive a reply to your complaint within ten (10) working days.

In case you are not satisfied with the reply, Arts Council Malta will convene a board that will discuss your complaint further. If you approach our complaints procedure, you are consequently accepting that we can use information about your project to address the complaint. The decision of the board is final.

9. Applicability of State aid rules

This scheme is applicable to:

• Independent Audiovisual Entities as defined in these guidelines.

For the purposes of State aid rules, such applicants are deemed as undertakings that carry out an economic activity within the meaning of Article 107 TFEU. The terms and conditions set out in these guidelines will be implemented in line with Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs, by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, by Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, by Commission Regulation (EU) 2023/1315 of 23 June 2023 amending Regulation (EU) No 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty and Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as may be subsequently amended [hereinafter referred to as the General Block Exemption Regulation].

This scheme is not applicable to the following:

- a. Activities listed in Article 1 (2), (3), (4) and (5) of the General Block Exemption Regulation [where applicable].
- b. Undertakings in difficulty are in principle excluded from the scope of this scheme, unless the undertaking was not in difficulty on 31 December 2019 but became an undertaking in difficulty in the period from 1 January 2020 to 31 December 2021.

Furthermore, assistance may not be granted if the aid is:



- a. Related to export activities towards third countries or member states, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network, or to other current expenditure linked to export activity.
- b. Contingent upon the use of domestic in preference to imported goods.
- c. In favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.

For the purposes of calculating the aid intensity and eligible costs, all figures used will be taken before any deduction of tax or other charge. The eligible costs shall be supported by documentary evidence which will be clear, specific, and contemporary.

Rules on cumulation of aid will be in line with Article 8 of the General Block Exemption Regulation.

Need advice?

ACM offers pre-submission consultation services to help you secure support for your project. We are there every step of the way. We can help you determine whether the core concept and profile of your project are in line with the targeted support mechanism and provide feedback on the way you plan to present your project. Plan ahead and get in touch with us at least four weeks before the submission deadline to make the best use of our services.

You are welcome to call us on 2334 7230, on weekdays, between 09:00 and 16:00, or to send us an email on <u>fundinfo@artscouncil.mt</u>.

Guidelines updated on 05th August 2024.