



# Film i Väst's Regulations for Co-production

Valid from 1 May 2017  
Established at a Board meeting on 20 April 2017





## **Regulations for Co-production**

*Film i Väst (FiV) is a wholly owned company within Region Västra Götaland. Film i Väst is regarded as a leading public player in the European film world, and one of the three most successful regional film organizations on the strength of both its artistic and its audience successes. Film i Väst invests in film and TV drama of the highest artistic quality and/or with the potential to attract a large audience. Film i Väst's co-productions should bring national and international luminance, and reach and be relevant to most citizens of Västra Götaland.*

### **1. Intention**

- 1.1 To work for high artistic quality in Film and TV drama production (hereafter referred to as 'Film') in Västra Götaland.
- 1.2 To work for high audience impact in the co-produced Films.
- 1.3 To proactively work for distribution, dissemination and circulation of the co-produced Films.
- 1.4 From a regional perspective, to work for broadening and renewal with regard to form, content and funding of Swedish Film.
- 1.5 To put Västra Götaland on the map by helping to promote international co-production and international exchange in the field of the Film, with Europe being the priority.
- 1.6 For FiV's co-productions to reach and be relevant to most citizens of Västra Götaland.
- 1.7 To maintain and develop the region's infrastructure.
- 1.8 In keeping with the fund's purposes and goals, FiV shall invest in selected Films and TV drama productions intended for distribution on all current and future platforms, and through all forms of distribution.

### **2. General Terms and Conditions**

- 2.1 FiV is a co-producer, and alongside the other co-producing parties FiV shall produce, fund, own and administer the Film.



- 2.2 A co-production investment from FiV presupposes that part of the production for the Film will take place in Västra Götaland. The producer shall guarantee that at least 100% of the investment will be spent in Västra Götaland. If the agreed spend<sup>1</sup> is not achieved, the producer shall be liable to pay a refund for the divergence from verified spend. Any refund shall be regulated in the co-production agreement.
- 2.3 The producer shall have full responsibility for the production's financial and content-related management, and shall guarantee the completion and distribution of the production. FiV may demand that the production's completion be guaranteed by insisting that a Completion Bond be signed.
- 2.4 The Film shall be carried out in accordance with the production description that forms the basis of FiV's standpoint. Changes must be approved by FiV.
- 2.5 Swedish labour legislation and collective bargaining agreements shall be followed. Exceptions may occur in international co-productions where the delegate producer's company is not registered in Sweden; in such cases the relevant legislation in the lead producer's home nation shall be followed.
- 2.6 FiV cannot enter into co-production with or pay any co-production investment to production companies that owe money to the Swedish Tax Agency or the Swedish Enforcement Authority, or with companies that are under liquidation, reconstruction or have been declared bankrupt. The same applies to production companies that have unsettled debts with or refund demands from FiV. Moreover, FiV may not pay any co-production investment to a company that is the subject of a payment demand due to a European Commission decision that declares an aid grant unlawful or incompatible with the internal market.
- 2.7 Applications to FiV shall be in writing and shall be submitted digitally via the FiV application portal before work on the Film begins. The application must contain details about the applying production company, a script, a project description including a start and end date, a budget, and a funding plan which includes the co-production investment being applied for.
- 2.8 Prior to a decision and continued discussion regarding co-production, FiV shall receive a budget proposal from the producer, broken down into spend elements in Västra Götaland and any other territories involved. FiV shall also receive of the directors vision, time plan and distribution plan, along with all other relevant documentation.

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<sup>1</sup> Spend refers to production-related costs in Västra Götaland which relate to pay for persons registered in Västra Götaland or the purchase of products and services by companies with permanent establishment in Västra Götaland and with personnel employed in Västra Götaland. Consumables of less value linked to the production counts as spend, provided that the purchasing address is in Västra Götaland. Any kind of practical deferment, meaning investments that are not in ready asset/cash, is not approved as spend.



### **3. Decision-making and Assessment Criteria**

- 3.1 FiV's Production Group prepares applications and the Head of Production decides on which Films FiV should co-produce. The decisions are made on the delegation of the Board of Directors, to which the decisions are then reported.
- 3.2 Co-production investments are made in Films which are deemed to have an artistic and/or an audience potential. The size of the investment is contingent upon the amount of production that takes place in the region.
- 3.3 Films intended for children and young people shall be prioritized. For an international children and young people's Film to be considered, it must have assured distribution in Sweden.
- 3.4 Gender equality and diversity shall be considered. FiV's co-productions shall be broad and representative in their narrator perspectives with regard to gender, ethnicity, class, age and country/city. In the overall selection of co-productions, FiV shall consider the repertoire as a whole.
- 3.5 There will be a meticulous assessment of the producer's conditions for carrying out the production. The producer must have documented experience of feature film or TV drama production. Exceptions may be made for short film and in talent initiatives and low-budget projects, and for arthouse films produced with a first- or second-time director or producer.
- 3.6 FiV accepts applications from all professional international producers with an established production company in the EU. FiV may however insist that the production engage a co-producer in Sweden responsible for carrying out the production in Sweden.

### **4. Film i Väst's Requirements and Regulations for Co-production**

#### **4.1 Co-production agreement**

- 4.1.1 The co-producers shall enter into a co-production agreement of which FiV is a signing party. It is the responsibility of the producer to draw up a proposed co-production agreement, including any necessary appendices. This is to be jointly negotiated by the co-producing parties.
- 4.1.2 For a co-production agreement to be signed, the producer shall be required to prove that the Film is fully funded and that distribution is guaranteed. All appendices to the co-production agreement must have been disclosed to FiV for information and, where applicable, for approval before the co-production agreement can be signed. FiV shall separately approve how any private capital and deferrals have been calculated. FiV's 'Regulations for Co-production' must have been approved by the producer.



- 4.1.3 The co-production investment is normally paid on four occasions as follows: on start of filming, on completion of filming, on delivery of the Film and on final financial reporting. A different payment plan may be available should the production's cost structure warrant. The co-production agreement must be signed by all co-producing parties before FiV can make the first payment.
- 4.1.4 The producer shall keep separate records for costs that are used/turned over in Västra Götaland. The accounts shall be audited by an Authorized Public Accountant, who must certify that the reported costs constitute valid spend in Västra Götaland (does not apply to co-production investments of less than SEK 500,000).

## **4.2 Share of ownership and earnings**

- 4.2.1 FiV shall share in the earnings from the first unit of income. The fundamental rule is that FiV shall have the same share of the production's earnings as its pro rata share of invested co-production capital, and also a position in parallel with the other co-producers (*pari passu*). Funding, soft loans presales, minimum guarantees and so on shall be deducted before the owner shares are calculated. FiV does not approve negative discrimination. If this occurs, FiV shall have the right to pull out of the Film.
- 4.2.2 It is the producer's responsibility to offset the Film's earnings monthly in the first year after the Film's premiere, and thereafter at intervals according to the co-production agreement. FiV shall be entitled to demand that a Collecting Agency offset the Film's earnings and that a Collecting Agency Agreement be drawn up, of which FiV is a party.

## **4.3 Right to monitor the production**

- 4.3.1 The producer shall keep FiV continuously informed of the production's progress, particularly should there be any deviations from the established budget and time plan.
- 4.3.2 FiV shall be able to monitor the production on site, view daily takes, and visit premises for editing and other post-production premises. FiV shall agree a suitable time for these visits with the producer.
- 4.3.3 FiV shall be able to set demands at a start-up meeting in connection with agreement negotiations, and a production assessment with the relevant parties involved in the co-production. It is the producer's responsibility to convene these meetings.
- 4.3.4 During post-production, FiV shall be provided with the opportunity to view the work-in-progress versions of the Film. The producer shall provide FiV with an opportunity to view the proposed final version and make any comments, in plenty of time before the Film is locked. The producer shall take into account any opinions given by FiV.
- 4.3.5 FiV shall without delay be given a full list of all employees, as well as freelancers and service providers. This shall be submitted at the start of filming and updated at the end of the production. The list shall show where each person is registered along with their social security numbers, and also where the companies are registered along with their registered numbers.



#### **4.4. Announcement of decisions**

- 4.4.1 When FiV makes a decision to invest in a production, this is announced on FiV's website with details such as the production's title, production company and director, the size of FiV's investment and the total budget for the production (does not apply to short film).

#### **4.5 Marketing of the Film**

- 4.5.1 In consultation with the producer, FiV shall decide on a plan for media work during the production period, which includes a press activity, for example (does not apply to short film).
- 4.5.2 FiV shall have the right to give tours of FiV's studio during study visits, for example. Tours shall be designed so as not to disturb the production and to leave the set design etc. intact. Well in advance of a visit, FiV shall inform the production of the planned study visit and discuss a suitable time for the tour.
- 4.5.3 In connection with launching the production, the producer shall provide FiV, free of charge, with marketing material, a press kit, 10 posters and 10 DVD copies (5 of each for short film) of the distribution version of the Film, as well as at least 10 stills (5 for short film) and promotional material from the Film, such as a trailer or teaser, for publication on FiV's website.

#### **4.6 Crediting**

- 4.6.1 FiV shall be credited as a co-producer in the Film's opening credits, on the Film's poster and in other paid advertising, and in all printed matter which presents and promotes the Film. FiV shall approve the design of the Film's opening and closing credits in their entirety.
- 4.6.2 The FiV logo shall be included in the Film's credits and on all material which presents and promotes the Film.
- 4.6.3 Where decision-makers representing other co-producers receive a personal credit, FiV's Head of Production or another appointed representative of FiV shall receive a corresponding name credit.

#### **4.7 Regional premiere**

- 4.7.1 A special premiere shall be organized in Västra Götaland. FiV shall decide where the premiere will be held. The producer and distributor shall be consulted regarding a suitable date. The Film's producer and director shall take part. It is the producer's responsibility to pay for the producer, director and any further key persons in the Film, such as but not restricted to the cast, to take part in the premiere.



## 4.8 Statistics

- 4.8.1 Following the Film's Swedish premiere, the producer agrees to provide information to FiV on a weekly basis about the number of admissions during the period that the Film is screening at Swedish cinemas. The producer shall also, to a reasonable extent, provide viewing figures from TV screenings, as well as statistics linked to DVD sales and rentals.

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*Film i Väst's investment according to these regulations is made in accordance with Chapter I and Article 54 of 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<sup>2</sup>.*

*Expressions used in these regulations have the same meaning as in Commission Regulation (EU) No 651/2014.*

*FiV shall perform the tasks relating to publication, reporting and registration as stipulated in §12a of the Act on the application of the European Union's State aid rules (2013:388) and the Ordinance on applying the European Union's State aid rules (2016:605).*

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<sup>2</sup> (GBER): [http://eur-lex.europa.eu/legal-content/SV/TXT/?uri=uriserv:OJ.L\\_.2014.187.01.0001.01.SWE](http://eur-lex.europa.eu/legal-content/SV/TXT/?uri=uriserv:OJ.L_.2014.187.01.0001.01.SWE)