

### THE FINNISH FILM FOUNDATION

The Finnish Film Foundation is an independent foundation under the guidance of the Ministry of Education and Culture. The aim of the Film Foundation is to promote high-quality, diverse and innovative film production in Finland. The Foundation grants support for the professional production, screening and distribution of films in various distribution channels. The Foundation is also responsible for the export of Finnish films, promoting the internationalisation of Finnish films and filmmakers and distributing support for the international promotion of films. The Foundation grants support for nationally significant international film festivals in Finland.

The Finnish Film Foundation receives its funds from Veikkaus and the Finnish gaming system from the monies allocated to the government's budget for the promotion of film. The Film Foundation's support is discretionary and falls under the Act of Discretionary Government Transfers and act on the government promotion of film culture. The support is granted based on applications.

The aims and specific criteria of the support vary across support types. They have been described in support-specific grant announcements and in this guide. The grant announcement defines for whom the support is intended and who may apply. The Film Foundation's support is granted for professional operations.

### ACT ON THE GOVERNMENT'S SUPPORT FOR THE PROMOTION OF FILM CULTURE (1174/2018)

The aim of the act is to promote

- 1) diverse and professional Finnish film production
- 2) the broad supply and distribution of films
- 3) the internationalisation of Finnish films and filmmakers
- 4) film culture and its development.

Participation, pluralism, cultural diversity and artistic freedom form the basis for reaching this aim.

(Act on the government's support for the promotion of film culture, section 2)

The Foundation's grants are based on the act on the government's support for the promotion of film culture (1174/2018). The grants apply the Act on Discretionary Government Transfers (688/2001). The Foundation follows the Administrative Procedure Act, the Act on the Openness of Government Activities (621/1999), the Language Act (423/2004), the Sámi Language Act (1086/2003), the Archives Act (831/1994), the Act on Electronic Services and Communication in the Public Sector (13/2003) and the Privacy Protection Act (9/2018).

### ACCESS TO DOCUMENTS

According to the Act on the Openness of Government Activities (621/1999), a document submitted to the Finnish Film Foundation is public. Documents may also be designated confidential under the law or access to them may be discretionary. Confidential official documents include documents that contain information about private business or trade secrets.

### BLOCK EXEMPTION REGULATION

The support granted by the Foundation is government aid that falls under the EU's Treaty, Article 107, and the decision by the EU Commission on 26 November 2008 concerning subsidies for the Finnish film industry (Commission regulation (EU) 651/2014), later block exemption regulation (BER).

Support granted by the Foundation must fulfil conditions listed in the BER's Articles 1–9 (general regulations) and Article 54 (aid schemes for audiovisual works).

According to the BER, support must be directed to a cultural product and can be granted for the production of audiovisual works, pre-production and distribution. According to section 3 of the act on the promotion of film, support may be granted for the production and distribution of films if the film can be considered an

independent work of art, its content is based on cultural values originating in cultural identity and the film involves a significant artistic contribution by creators and performers whose wages and salaries form a significant portion of the production costs.

According to the BER's Article 53 (aid for culture and heritage conservation), the support may be granted for festivals and other similar cultural activities. According to the Article, support may take the form of either operating or investment aid.

According to the BER's general regulations, **the support should not be applied** to cases where the recipient would execute their project with or without the support, government support that has conditions or financing methods that do not follow EU legislation and especially support measures where the recipient is required to operate mainly from or in the country granting the support. However, the requirement that the recipient has a place of business or a subsidiary in the country granting the support is permissible.

An unconditional requirement is that the support cannot be granted to a corporation which is subject to an outstanding recovery order following a previous Commission decision declaring the aid illegal and incompatible with the internal market (BER, Article 1, Section 4 a).

## SUPPORT GUIDE 2019 / Marketing and distribution support

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### Preparing an application

- Study the grant announcement, support guide and the section on marketing and distribution support carefully.
- Register as a new client to the online application system or log in to your existing account (new registrations are usually processed within one week).  
<https://ses.fi/tukitoiminta/sahkoinen-hakujarjestelma/>
- Fill in an application in the online application system that consists of an electronic application form and the necessary appendices.
- Submit the application before the deadline.

[See the grant announcements](#)

### 1. GENERAL

#### The aim of the support

The aim of the Finnish Film Foundation is to promote the diverse and professional production of films in Finland. The Foundation's values include participation, pluralism, cultural diversity and artistic freedom.

The purpose of the support is to promote the broad and extensive supply and distribution of Finnish film productions through various distribution channels and platforms as well as the availability and audience share of Finnish films.

#### To whom?

Support is granted primarily to projects that have received the Foundation's development and production support. Support may be granted to a professional distribution company registered in Finland that owns the film's distribution rights in Finland or a production company that manages the film's rights in Finland.

The applicant should be the party responsible for marketing who has the required expertise and skills at their disposal.

#### For what purpose and how much?

The marketing and distribution support is aimed at the marketing and distribution costs of feature films, short or serialised drama, documentary, animation or children's films or combinations thereof.

The support may be granted for the marketing and distribution costs of Finnish and international co-productions for various Finnish distribution channels and platforms.

Audio description and subtitling for the hearing impaired have been mandatory for feature films and documentaries since early 2019.

### **Amount of the support**

The maximum amount of the marketing and distribution support is €120,000.

In addition, the Film Foundation supports audio description and subtitling for the hearing impaired by a maximum amount of €7,000 via a separate grant.

For solely non-theatrical distribution, applicants can apply for the marketing and distribution support for digital distribution.

<https://ses.fi/en/funding/grant-announcements-and-deadlines/>

Previous support decisions may be viewed from the Foundation's [support decisions page](#).

## **How and when to apply?**

Applications are submitted online (<https://hakemus.ses.fi>) by sending in the application and appendices to the Finnish Film Foundation before the deadline noted in the grant announcement.

New applicants must register to the online application system. The registrations of new clients are processed within a week.

Applicants fill in an application in the online application system that consists of an electronic application form and the necessary appendices that are uploaded into the system.

[Instructions for the online application system](#)

Prior to submitting an application, the applicant must carefully read the relevant grant announcement and support guide.

The applicant is responsible for submitting the application within the deadline. It is therefore important to prepare for unexpected delays and reserve enough time to draft the application. Applications submitted after the deadline are transferred to the next application period.

From 2019, the applicant does not select a film commissioner for the application. The application is directed to the Finnish Film Foundation. The Film Foundation designates a film commissioner to the application. The applicant receives information of the application's film commissioner in the application's general information tab after a week from the deadline has passed.

If the film has previously received support from the Film Foundation, the Foundation designates the same film commissioner for the new application.

### **The duties of the production department and other personnel:**

<https://ses.fi/en/the-foundation/contact-information/all-personnel/>

## **What conditions must the applicant fulfil?**

A positive support decision requires that

- the recipient has conformed to possible previous support agreements and conditions set for the support.

- feature films or documentaries should have or have a plan for audio description and subtitling for the hearing impaired
- the recipient pledges to report current viewing figures for statistical purposes in cinema, DVD and VOD distribution.
- films that receive support must include subtitling that fulfils the requirements of the Language Act.

The Film Foundation may request further information if it deems it necessary for the decision-making process.

Support cannot be granted if the application is insufficient and the required information is not uploaded into the online application system despite requests to do so.

## How are the applications evaluated?

Support is discretionary. The evaluation and comparison of the applications is based on an overall assessment that considers the purpose of the funds, the grounds mentioned in the grant announcement and available funds in the budget.

During evaluation, the project is considered as a whole in terms of marketing and distribution while taking into account the target audiences of the genre and the measures planned to reach them. In addition, the applicant's professional and financial ability to complete the project is taken into account. Other support previously granted by the Film Foundation to the applicant is also taken into account.

## Decisions

The Finnish Film Foundation's Board decides on the marketing and distribution support based on the CEO's presentation.

(Act on the government's support for the promotion of film culture, section 5)

The Foundation aims to make decisions in 8–10 weeks after the deadline.

All applicants receive a written decision that includes the conditions and limitations of the support and claim for correction order with instruction. The decision also lists the recipient of the support, intended use, the expenses that form the basis for the decision, the schedule and the report date.

The decision is based on the act of government funding for the advancement of cinema (1174/2018), the Act on Discretionary Government Transfers (688/2001) and the Administrative Procedure Act (434/2003).

### Using the logo and end credits

When the Film Foundation has granted the film marketing and distribution support, the recipient is obliged to attach the Foundation's logo or a note about the support in the film's end credits.

<https://ses.fi/julkaisut/ses-logot/>

## 2. SUPPORT APPLICATION

The applicant must submit the appendices to the online application system before the final deadline.

- a signed marketing and distribution plan drafted according to the Film Foundation's template <https://ses.fi/tukitoiminta/ohjeet-ja-lomakkeet/>
- a budget and financing plan drafted according to the Film Foundation's template <https://ses.fi/tukitoiminta/ohjeet-ja-lomakkeet/>
- Signed distribution agreements
- Agreements or binding confirmations of funding following the financing plan on other funding. Funding for the project has to be confirmed before the project is eligible for the support. The applicant must show with binding confirmations or agreement that the plan related to the marketing and distribution is feasible.
- Cooperation agreements
- Report on covering the self-financing portion of the overall funding

### Note!

The type of appendix should be named to correspond the appendix so that the online application system refrains from sending an automated message about missing appendices.

### Appendices

The appendices pertaining to the applicant must be submitted no later than the deadline in the application system under Appendices:

- A verified and audited financial statement (if the Limited-liability Companies Act, the Audit Act or the articles of association necessitate an auditor) covering the latest financial period.
- a valid extract from the Trade Register no older than six months
- a certificate of paid taxes no older than three months
- a certificate of paid pension insurance premiums no older than three months
- a current shareholders' register (the Limited-liability Companies Act, chapter 3) The shareholders' register is delivered only once and updated if changes in ownership occur.

## 3. PAYMENT

The marketing and distribution support is paid to the recipient's Finnish account in two or more instalment, the first of these after the decision and the last one (20%) after the final report has been approved by the Foundation.

The decision confirms the project's marketing and distribution plan, budget and funding. Deviation from the verified budget and support focus are possible only with the Foundation's written agreement. The recipient is responsible for executing the project in the manner and within the schedule agreed to in the agreement.

## 4. OVERSIGHT

The Film Foundation oversees and supervises how the support is used. The Film Foundation has the right to engage in audits to oversee payments and how the support is used. The Film Foundation may also postpone payments during audits.

### Organising project oversight

The support recipient must maintain their accounts according to the Accounting Act and the Accounting Ordinance and follow sound accounting procedures. The recipient must organise the project's audit trail – the link between the recipient's financial statement and the project's statement of charges – in a way that it can be reliably, completely and transparently verified by a third party.

The Foundation always reserves the right to fully audit the recipient's accounting and management.

The recipient is obligated to provide their accountant and auditor the film's support agreement and all appendices. If the recipient neglects these duties, the Film Foundation has the right to deliver the documents to the accountant and auditor named in the support agreement.

The recipient must observe and notify their accountant and their auditor of the Foundation's instructions and guidelines concerning the film industry's accounting, financial statement and auditing principles.

<https://ses.fi/tukitoiminta/ohjeet-ja-lomakkeet/>

### Disclosure requirement

The recipient must provide the Finnish Film Foundation the correct and sufficient information to enable oversight of the support decision's conditions.

The recipient must inform the Foundation of all changes that influence the way the support is used without delay. Changes that influence the use of the support include changes in the project's quality, breadth and funding. The Foundation also always has the right to receive information about the project's current status and follow the project's progress.

A written report of changes must be emailed to the film commissioner who processed the support decision. The basis for the report is the support agreement between the recipient and the Film Foundation which can only be changed with written permission from the Film Foundation.

### Extensions

Extensions to the use of the support must be applied to in writing.

A written application for an extension must be emailed to Pirjo Koskelo, [pirjo.koskelo@ses.fi](mailto:pirjo.koskelo@ses.fi), and submitted to the online application system under 'Loppuselvityksen lisäaikapyyntö' (Final Report Extension Request).

## 5. MARKETING AND DISTRIBUTION SUPPORT FINAL REPORT

The final report must be delivered to the Film Foundation after no later than one year.

### The final report must contain:

1. **an assessment form following the Foundation's template**
2. **a final financial report signed by the recipient**

An itemised report on the actualised costs in relation to the budget appended to the support agreement.

Admissible costs in the final report include the accounted and paid non-VAT expenses of the recipient's company and possibly those of another party (e.g. a distribution or production company) who worked on the project.

A summary of actualised funding in relation to the support decision.

### 3. If the Film Foundation's support granted to the project is

- a. less than €20,000, the project audit report must be verified and signed by an accountant
- b. at least €20,000, the project audit report must be verified and signed by an authorised accountant

#### **Auditing procedure**

The final report is submitted to the online application system as an appendix.

Information on the submission of the final report to the online application system is emailed to Accounting Specialist Pirjo Harmainen, [pirjo.harmainen@ses.fi](mailto:pirjo.harmainen@ses.fi).

An automatic message indicating that the final report is missing only removed when the final report has been approved at the Film Foundation and the final instalment of the support has been paid.

The basic information of the application includes a link to payment information that shows when the instalments have been paid.

The Film Foundation may request further information if it deems it necessary for the approval of the final report. The Finnish Film Foundation has the right to perform audits on the recipient's finances and activities based on the Act on Discretionary Government Transfers, section 16. The recipient must ascertain that the Film Foundation has the necessary prerequisites to perform the audit.

The Film Foundation approves the project's final costs and funding based on the final report.

If the project's support exceeds the actualised costs, the Film Foundation deducts the sum from the unpaid instalment. If the sum is larger than the unpaid instalment, the recipient must immediately return the excess portion of the support to the Film Foundation.

#### **Repayment of discretionary government transfers**

##### ***Act on Discretionary Government Transfers (688/2001) section 20***

*Recipients of discretionary Government transfer must repay without delay any transfer or part thereof they have received through error, in excess or manifestly without cause. Recipients must also repay a transfer or part thereof if it cannot be used as required in the transfer decision. If the repayable sum does not exceed 100 euros, it is not necessary to repay it.*

In addition to the Act on Discretionary Government Transfers (688/2001), section 20, the recipient must abide by the following repayment conditions:

the recipient is obliged to immediately repay the support or part of the support if the support has not been used during the time period agreed upon by the parties and if the Film Foundation has not granted an extension

The repayable amount must include annual interest and an added three percent following the Interest Act (633/1982), section 3, subsection 2. The interest is calculated from the last payment to the support repayment date.

The target of the support and application number must be mentioned in the message field during repayment.



The support must be repayed to the Finnish Film Foundation's bank account:

Nordea Bank Abp  
IBAN FI74 1572 3000 0305 77  
BIC NDEAFIHH

## **6. HALTING PAYMENTS AND REPAYMENT**

If the recipient does not repay the Film Foundation according to the Act on Discretionary Government Transfers, section 20, repayment of the support or a portion of it will proceed according to section 9 and section 10 of the act of government transfers to promote film culture.

### **Section 9 Halting payments**

The Arts Promotion Center Finland is responsible for halting payments.

The Finnish Film Foundation must immediately make a proposal to the Arts Promotion Center Finland that the government transfer be halted if the Film Foundation has discovered information that warrants halting the payments. The Arts Promotion Center decides to halt payments and the continuation or halting of government transfers based on the Film Foundation's suggestion.

The decision to halt payments must be made immediately and, for special reasons, in at least two calendar years after the Finnish Film Foundation's suggestion.

The Finnish Film Foundation must include sufficient and essential information to make a decision to halt payments. The Arts Promotion Center Finland also has the right to receive the necessary information from the Finnish Film Foundation to halt payments without regard to confidentiality agreements.

### **Section 10 Repayment**

The Arts Promotion Center Finland is responsible for repayments.

The Finnish Film Foundation must immediately inform the Arts Promotion Center Finland of facts that would or should warrant government transfer repayments. The Arts Promotion Center Finland makes the repayment decision.

The decision of repayments must be made immediately and, for special reasons, during at least two calendar years after the Finnish Film Foundation's suggestion.

The Finnish Film Foundation must include sufficient and essential information to make a decision of repayments. The Arts Promotion Center Finland also has the right to receive the necessary information from the Finnish Film Foundation for repayments without regard to confidentiality agreements.