THE FINNISH FILM FOUNDATION SUPPORT GUIDE 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's Support for the Promotion of Film Culture. The support is granted based on applications.

The aims and specific criteria of the support vary across support types. They are described in supportspecific 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.

The foundation's values include participation, pluralism, cultural diversity and artistic freedom.

(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 are subject to 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 (423/2003), 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 Data 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 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), hereinafter block exemption regulation (BER).

Support granted by the Foundation must fulfil the 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 Film Promotion Decree, 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 / Support for the promotion of other film culture

1. GENERAL

Preparing an application

- Carefully study the grant announcement, support guide and the section "Support for the promotion of other film culture".
- 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). <u>https://ses.fi/tukitoiminta/sahkoinen-hakujarjestelma-2/</u>
- In the online application system, fill in an application that consists of an electronic application form and the necessary appendices.
- Submit the application and appendices before the deadline.

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

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 aim of the support is to promote Finnish film culture and its development.

For whom?

Support may be granted to a corporation or association registered in Finland for projects promoting Finnish film culture.

For what purpose and how much?

The support is intended for developing the film industry and for supporting such projects of corporations or associations that diversify and strengthen Finnish film culture and film industry. This form of support cannot be used to replace or supplement other support granted by the foundation for the same purpose. Support may be granted in full (100%) for necessary and justified reasons in order to reach stated objectives. Other funding and self-financing of the project are viewed as an advantage.

The maximum amount of support for an individual project is \leq 30,000.

How and when to apply?

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

New applicants must register in the online application system. New registrations are processed within a week.

Prior to submitting an application, the applicant must read the relevant grant announcement and support guide carefully. Applicants should start preparing the application well before the deadline.

The application period ends at midnight on the final application date.

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

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.

The application is directed to The Finnish Film Foundation. The Foundation designates a person who prepares the application. The applicant receives information on this person in the application's general information approximately one week after the deadline has passed.

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 read the relevant grant announcement and support guide carefully.

How are the applications evaluated?

Project support for other promotion of film culture is discretionary. Granting the support is based on overall evaluation and comparison of the applications. The following guidelines are used to evaluate the applications:

Evaluation takes into account the project's production and economic feasibility as well as its significance to the development of Finnish film culture and film industry. In addition, the applicant's professional and financial means to complete the project and the available funds are evaluated.

Other funding and self-financing of the project are viewed as an advantage. Other support previously granted to the applicant by the Foundation is also taken into account.

How are the decisions made?

The Finnish Film Foundation's Board decides on the support for other promotion of film culture based on the CEO's presentation.

(Act on the Government's Support for the Promotion of Film Culture, Section 5)

The applicant receives a written decision that includes the conditions of the support and a claim for correction order with instructions.

The foundation aims to make the support decisions within 8–10 weeks of the end of the application period.

The decision is based on the Act on the Government's Support for the Promotion of Film Culture (1174/2018), the Act on Discretionary Government Transfers (688/2001) and the Administrative Procedure Act (434/2003).

A prerequisite for granting any support is that the recipient has complied with the conditions for granting previous support and delivered a final report on the uses of previous support.

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.

The recipient must include a mention of the Film Foundation's support in possible publications, for example: "This project has received support from the Finnish Film Foundation" and/or indicate this by using the Foundation's logo.

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

2. SUPPORT APPLICATION

The applicant must submit the following appendices to the online application system by the final deadline:

- an overall plan for the project
- an itemised budget and financial plan for the project
- agreements or binding contracts of other funding in accordance with the financial plan

Applicant appendices

Documents concerning the applicant must be uploaded into the online application system by the last day of the application period under **Applicant appendices**:

- the financial statement from the last accounting period verified by an authorised accountant (if your organization is obliged to use an authorised accountant according to the Auditing Act and Limited Liability Companies Act or your by-law)
- a valid extract from the Trade Register or Register of Associations 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 (Limited Liability Companies Act, Chapter 3). (The shareholders' register is delivered only once and updated if changes in ownership occur.)

3. PAYMENT

Support for other promotion of film culture is paid to the recipient's Finnish bank account in two instalments: the first instalment (80%) after the support decision has been made and the second instalment (20%) after the final report for the support has been approved by the Film Foundation.

4. OVERSIGHT

The Film Foundation oversees and supervises how the support is used. The Film Foundation has the right to use 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 support recipient must organise the project's audit trail – the link between the recipient's financial statement and the project's statement of charges and support – 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 must observe and notify their accountant and the auditor of the foundation's instructions and guidelines concerning the film industry's accounting, financial statement and auditing principles. <u>https://ses.fi/en/funding/guidelines-and-forms/</u>

5. DISCLOSURE REQUIREMENT

The recipient must provide the Finnish Film Foundation with 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. The foundation also always has the right to receive information about the project's current status and follow the project's progress.

The foundation may, upon receiving a written application from the applicant, change the support schedule and its terms for special reasons. The relevant application must be completed by the final report deadline stated in the payment schedule. A written report of the changes must be emailed to the handler.

6. FINAL REPORT

The final report must be provided to the Film Foundation within **one (1) year** of receiving the support decision.

The final report must contain a written report on the realised project in relation to the plans. The report must contain an itemised list of realised costs and information about realised funding. The report must indicate the project's costs and funding in relation to the budget.

The costs approved in the final report are the applicant's accounted and paid project costs without VAT. If the grant recipient does not have the right to VAT deductions, the costs may be approved with VAT.

If the support granted to the project by the Film Foundation 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(at)ses.fi.

An automatic message indicating that the final report is missing is only removed when the final report has been approved by 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 and an audit. If the project's actual funding exceeds the actual 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, 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 thereof 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 date 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 repaid to the Finnish Film Foundation's bank account: Nordea Bank Abp IBAN FI74 1572 3000 0305 77 BIC NDEAFIHH

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 on the Government's Support for the Promotion of Film Culture.

Section 9, Halting payments

The Arts Promotion Centre Finland is responsible for halting payments.

The Finnish Film Foundation must immediately make a proposal to the Arts Promotion Centre Finland that the government transfer be halted if the Film Foundation has discovered information that warrants halting the payments. The Arts Promotion Centre Finland decides on the halting of 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 or, if postponed for special reasons, within two calendar years of the Finnish Film Foundation's suggestion.

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

Section 10, Repayment

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

The decision on repayment must be made immediately or, if postponed for special reasons, within two calendar years of the Finnish Film Foundation's notification.

The Finnish Film Foundation must include sufficient and essential information to make a decision on repayment. Without regard to confidentiality agreements, the Arts Promotion Centre Finland also has the right to receive the necessary information from the Finnish Film Foundation for repayment.