

## 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 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 / Operational support for film festivals

### Preparing an application

- Study the grant announcement, support guide and the section on festival 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 broad and comprehensive supply and distribution of films. 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 purpose of the support is to promote the domestic and international professional screening and distribution of films, and to secure the continuous funding and operations of nationally important film festivals.

### To whom?

Nationally important festivals submit their applications to the Foundation, other festivals submit them to the Arts Promotion Centre Finland (Taike).

The applicant must be a registered corporation.

### For what purpose and how much?

The Finnish Film Foundation grants operational support for film festivals to organise nationally significant film festivals.

The Ministry of Education enables the support by granting an annual government subsidy to the Film Foundation.

### The amount of support

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. New registrations are processed within a week.

Prior to submitting an application, the applicant must carefully read the relevant grant announcement and support guide. 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. Applications submitted after the deadline are transferred to the next application period.

From 2019, the applicant does not select a handler for the application. The application is directed to the Finnish Film Foundation. The Film Foundation designates the person who handles the application. The applicant receives information of the application's handler after a week from 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 carefully read the relevant grant announcement and support guide.

## How are the applications evaluated?

Evaluation considers the breadth and diversity of the programme, its national and international significance for audiences and the media, the applicant's position as a festival organiser and the funding base of the festival.

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. 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.

## How are the decisions made?

The Finnish Film Foundation's Board decides on the festival support 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 contains the conditions of the support and a claim for corrections with instructions.

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

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).

A favourable decision requires that the applicant has complied with other possible support agreements, conditions and delivered due reports 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 by using the Film Foundation's logo.

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

## 2. SUPPORT APPLICATION

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

- the festival's strategy
- an itemised budget and financing plan
- the ratings and proceeds from ticket sales of the previous event, paid and unpaid tickets itemised

### **The applicant's appendices**

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

- the latest completed financial statement verified by an authorised accountant (annual report, profit and loss statement, balance sheet with appendices and an audit report)
- a valid extract from the Trade Register or register of associations no older than six months
- a certificate of paid taxes no older than six months
- a certificate of paid pension insurance premiums no older than six months

## 3. PAYMENT

A prerequisite for payment of the support is that the final report of the previous festival support has been approved in the Film Foundation.

The festival support is paid to the recipient's Finnish bank account in two or more instalments based on the schedule drafted by the parties. The final instalment of 10% is paid after the final report has been approved by the Film Foundation.

### **Midterm report**

A prerequisite for the payment of the second instalment is that the recipient has submitted a midterm report following the template provided by the Foundation.

The midterm report must show an itemised list of the project's actual costs and funding in relation to the budget and an estimate of future expenses and funding. The Film Foundation may request further information if it deems it necessary for the midterm report.

## 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 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 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/>

## 5. DISCLOSURE REQUIREMENT

The recipient must provide the Finnish Film Foundation the correct and sufficient information to enable the 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 festival'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.

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 before 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 according to the payment schedule.

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

Actualised costs approved in the final report are the festival's accounted and paid and 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 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.

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

The general 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.

**The support and any other additional public support must not exceed the admissible costs.**

### ***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 to 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 repaid to the Finnish Film Foundation's bank account:

Nordea Bank Abp  
IBAN FI74 1572 3000 0305 77  
BIC NDEAFIHH

### **Halting payment 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 halting payments.

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.