



MFG
BADEN-WÜRTTEMBERG

MFG Baden-Württemberg Film Funding

Awarding Regulations



1. Object and objectives of the funding

1.1

In its "film funding" division MFG funds the preparation, production and distribution of fictional and documentary films and series for cinema, TV and VoD. The funding of the production of series is, as a rule, limited to a start-up financing for the first season of a series. Films and series with innovative, digital narrative forms (e.g. 360 degree films, virtual reality, augmented reality applications and web series) are eligible for funding. The funding of digital games and innovative, interactive media projects with the character of a game is carried out according to separate provisions.

1.2

The funding can in particular comprise the following areas:

- Material development and production preparation
- Production
- Distribution, sales and promotion
- Cinemas
- Other funding measures

1.3

The prime aim of the funding is to develop, care and strengthen film culture and the development and reinforcement of the film industry in Baden-Württemberg which are necessary for this purpose as well as the presentation of the film location of Baden-Württemberg at home and abroad. In addition, the funding should also make a contribution to strengthening the cultural and commercial audio-visual sector in Europe.

1.4

With all funded projects MFG endeavours to achieve a balanced ratio of men and women among the involved film creators as well as an ecologically and socially sustainable manner of production.



2. General prerequisites for the funding

2.1

Only measures shall be funded that comply with the cultural and commercial objectives of the funding.

Benchmarks for the cultural quality are among others the content-related, historical, contemporary, creative or social relevance of the material, the narrative and linguistic design of the screenplay or treatment and of the dialogues, the content-related design of the script, the expected creative and visual implementation of the work as well as the competence of the involved film artists above all in the fields of direction, acting, animation, (virtual) image design, editing, scenography, set design and music.

Measures cannot be funded which indicate that it is to be expected that the project will violate the constitution or laws. In addition, industrial, advertising or image films or similar projects will not be funded.

2.2

The funding recipient must be a (co-)holder of project-relevant rights to a necessary extent when the application is filed. Exploitation rights of intrinsic value must remain with the funding recipient to a reasonable extent for the exploitation of the funded projects.

2.3

The funding can only be carried out within the scope of the funds that are available to MFG for this purpose. There is no legal entitlement to funding. Furthermore, no legal entitlement is established to further funding in other funding areas through the funding in one of the following funding areas.

2.4

The respectively responsible juries of MFG shall decide on the applications for funding for the individual funding measures, insofar as not otherwise determined by these Awarding Regulations. These juries give funding recommendations to the management of MFG, which puts these recommendations into practice. MFG shall hereby reserve the right to reject submitted funding projects, which obviously do not comply with the objectives of the funding, without submitting such projects to the respective jury.



2.5

The project may not have been started yet at the time when the application is filed. In justified cases MFG can allow exceptions if at least one provisional application is available. This must at least include the following details: Name and size of the company, description of the project with details of the start and the completion, location of the project, the costs of the project, type of funding that is applied for (subsidy or interest-free loan that is repayable to a limited extent) and amount of the public financing that is required for the project.

2.6

The costs of the project, for which funding is applied, are to be calculated customary for the industry and according to the principle of economical budgeting.

2.7

The conclusion of a funding contract and a disbursement of funds presumes that the total financing of the project, for which funding is applied, is proven.

2.8

For support measures pursuant to Subclauses 3. to 6., the relevant regulations of the General Block Exemption Regulation of the EU (Regulation [EU] No. 651/2014 of 17 June 2014 of the 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 on the Functioning of the European Union) (OJ L 187/1, 26.6.2014, p. 1) as amended by Regulation (EU) 2017/1084 of 14 June 2017 (EU-ABL L 156/1 of 20 June 2017), in particular the provisions of Article 54 GBER (General block exemption Regulation) [in German: Allgemeine Gruppenfreistellungsverordnung (AGVO)], respectively to funding pursuant to Subclause 6. the provisions of Article 53 of the GBER. The provisions of the "de minimis Regulation" (Regulation [EU] No. 1407/2013 of the Commission of 18 December 2013 regarding the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union [EU-ABL L 187, 26.6.2014, p. 1]) shall apply to funding according to Subclause 7.

Companies or sectors in the cases of Art. 1 Para. 2 to 5 GBER are excluded from funding.

No funding may be granted to a company that is in difficulties. No funding may be granted to a company that has not satisfied a restitution order owing to a previous decision of the Commission regarding the determination of the inadmissibility of aid granted by the same member state and its incompatibility with the internal market, may not be granted any funding according to these Awarding Regulations.



2.9

Funds according to these Awarding Regulations may be cumulated with other state aid, insofar as these measures relate to various definable costs that are eligible for aid as well as with other state aid for said costs, partly or fully overlapping costs that are eligible for aid, however only if the maximum aid intensity that is applicable for this aid according to the GBER respectively the maximum aid amount that is applicable for this aid according to the GBER are not exceeded through this cumulation.

2.10

Insofar as the GBER (respectively with regard to funding according to Subclause 7. the de minimis Regulation), these Awarding Regulations and the information leaflets issued by MFG do not contain any special regulations, the regulations of the German Federal Film Funding Act [Filmfördergesetz des Bundes – FFG] in the respectively applicable version and the guidelines of the German Federal Film Board issued owing to the FFG shall principally apply accordingly and additionally to film projects.

2.11

It is pointed out that information regarding each individual funding of more than EUR 500,000 shall be published on a detailed aid website.



3. Funding of the material development and the production preparation

3.1 Material development for fictional films

3.1.1

An interest-free loan that is repayable to a limited extent can be granted for the creation or revision of screenplays for fictional films. Authors and producers are entitled to file applications. The loan amount should be used for costs incurred in Baden-Württemberg.

3.1.2

The loan for a screenplay should not exceed an amount of EUR 30,000, with experienced authors and/or with a particularly high amount of work e.g. in the areas of research, specialist advice or dramaturgy should not exceed an amount of EUR 50,000. Reasonable costs for dramaturgical advice can principally be recognised. With applications by producers the funding should moreover not amount to more than 75 % of the recognisable total costs respectively with international co-productions 75 % of the German financing share.

3.1.3

The cumulation with state material development funding of other institutions is permitted up to 100 % of the recognisable total costs.

3.1.4

Among others a treatment with at least one prepared film dialogue scene is to be enclosed with the application. If an application is filed for funding for the revision of a screenplay the current screenplay version is to be submitted.

3.1.5

The disbursement of the second instalment will be carried out after submission and acceptance of the screenplay that is capable of filming.

3.1.6

If the funded screenplay is filmed by the funding recipient then the loan is to be repaid in full when shooting commences. If the funding recipient sells rights to the screenplay then 50 % of the proceeds generated hereby, however as a maximum the funding amount, are to be repaid. A prior deduction of the own shares used by the funding recipient for the financing of the funded measure is not permitted. If MFG also grants funding for the production of the film based on the screenplay MFG can offset the amount that is to be repaid against the new funding. The repayment obligation will end 5 years after disbursement of the last loan instalment.



3.2 **Material development for documentary films**

3.2.1

An interest-free loan that is repayable to a limited extent can be granted for the creation of scripts that are capable of being filmed for documentary films. Producers are entitled to file applications. The loan amount should be used for costs incurred in Baden-Württemberg.

3.2.2

The loan for a script should not exceed an amount of EUR 15,000, with experienced authors and/or a particularly high amount of work e.g. in the areas of research or specialist advice not exceed an amount of EUR 25,000. The funding should moreover not amount to more than 75 % of the recognisable total costs respectively with international co-productions 75 % of the German financing share.

3.2.3

Among others an exposé as well as a concept for the film implementation are to be enclosed with the application.

3.2.4

The disbursement of the second instalment will be carried out after submission and acceptance of the script that is capable of filming including necessary research results.

3.2.5

The provisions of Subclauses 3.1.3 and 3.1.6 shall apply accordingly.



3.3 **Material development for fictional and documentary series**

3.3.1

An interest-free loan that is repayable to a limited extent can be granted for the material development of fictional and documentary series with at least six episodes. Producers are entitled to file applications. The loan amount should be used for costs incurred in Baden-Württemberg.

3.3.2

The loan for a fictional series should not exceed an amount of EUR 30,000, with experienced authors and/or with a particularly high amount of work e.g. in the areas of research, specialist advice or dramaturgy not exceed an amount of EUR 50,000. Reasonable costs for dramaturgical advice can principally be recognised. With a documentary series the loan should not exceed an amount of EUR 15,000, with experienced authors and/or with a particularly high amount of work not exceed an amount of EUR 25,000. The funding should moreover not amount to more than 75 % of the recognisable total costs respectively with international co-productions 75 % of the German financing share.

3.3.3

Among others a concept for a series, with fictional series additionally a treatment for the first episode and a prepared dialogue scene are to be submitted with the application.

3.3.4

With fictional series among others the screenplay that is capable of filming of the first episode as well as outlines for the further episodes are to be submitted for the disbursement of the second instalment. A script that is capable of filming incl. research results for the first and the further episodes is to be submitted with documentary series.

3.3.5

The provisions of Subclauses 3.1.3 and 3.1.6 shall apply accordingly.



3.4 **Production preparation of fictional and documentary films and series**

3.4.1

An interest-free loan that is repayable to a limited extent can be granted for the production preparation of fictional and documentary films and series. Producers are entitled to file applications. The loan amount should be used for costs incurred in Baden-Württemberg.

3.4.2

The funding should not exceed 80 % of the recognisable total costs respectively with international co-productions not exceed 80 % of the German financing share. The loan with fictional films and series should not exceed an amount of EUR 150,000 and with documentary films or series not exceed an amount of EUR 75,000.

3.4.3

Besides a calculation for the production preparation costs and a realisation concept among others

- with fictional films a screenplay
- with fictional series a concept for the series, a screenplay of the first episode and outlines of the further episodes
- with documentary films and series a script for the film respectively for the first and the further episodes

should be enclosed with the application.

3.4.4

The second instalment will be paid out according to progress of the project and the third instalment after examination of the final report.

3.4.5

The provisions of Subclauses 3.1.3 and 3.1.6 shall apply accordingly.



3.5 **Incentive Funding**

3.5.1

In exceptional cases an interest-free loan that is repayable to a limited extent can be granted for the material development and/or the production preparation of several fictional and documentary films and series. The funding can be applied for from a number of at least three sub-projects. Producers, in particular those, who are resident in Baden-Württemberg, are entitled to file an application once.

3.5.2

The prerequisite for the filing of an application are among others several project outlines, a realisation concept and a description of the development strategy of the production company.

3.5.3

The funding should neither exceed 80 % of the recognisable total costs, nor the amount of EUR 200,000.

3.5.4

Incidentally, the provisions of Subclauses 3.1 to 3.4 are to be applied accordingly.



4. Funding of the production

4.1

Production of fictional and documentary films and series

4.1.1

An interest-free loan that is repayable to a limited extent can be granted for the production of fictional and documentary films and series. Producers are entitled to file applications.

4.1.2

The funding should not exceed an amount of one million Euro.

4.1.3

A granted loan should

- a) with cinema films not exceed 50 %
- b) with TV/VoD films or series not exceed 30 %

of the recognisable total costs respectively, with international co-productions of the German financing share. In the field of young talents higher funding quotas are possible, whereby the regulations according to Subclause 4.1.4 are to be complied with.

4.1.4

The total amount of the state funding and aid granted by various institutions for the production of a film or a series may principally not exceed 50 % of the recognisable total costs. In case of cross-border productions, which are financed by more than one member state of the European Union and in which producers from more than one member state are involved, this upper limit can amount to up to 60 % of the recognisable total costs. Quite apart from upper limits difficult audio-visual works (for example short films, first and second films of directors, documentary films, works with low production costs or other commercially difficult works) and co-productions, in which countries of the list of the Development Assistance Committee of the OECD are involved.

4.1.5

The producer has to bear a reasonable own share with the financing. This should not fall short of 5 % of the recognisable total costs respectively with international co-productions 5 % of the German financing share also with smaller projects. Exceptions from this can in particular be granted with young talent projects.



4.1.6

At least 120 % of the granted loan amount should be spent in film-relevant sectors in Baden-Württemberg (qualified Baden-Württemberg effect). If a higher Baden-Württemberg effect is stated in the application for funding, this must also be actually provided.

4.1.7

Among others screenplay(s) / script(s), crew list and list of actors, calculation of the total costs of the production and the qualified Baden-Württemberg effect, financing plan with proof and proof of rights are to be enclosed with the application documents. In addition, a presentation is to be enclosed to what extent an endeavour is made to achieve a socially sustainable method of production with fair payment and the compliance with social standards and to what extent to achieve an ecologically sustainable method of production.

4.1.8

The funding commitment shall lapse, as a rule, if the full financing is not proven within 12 months after the time when the written funding commitment was issued. The management of MFG can permit exceptions following a justified application.

4.1.9

A funded cinema film may not be evaluated before expiry of the blocking periods stipulated in the funding contract. The management of MFG will decide on exceptions. If an application for reduction of a blocking period is sustained by the FFA, MFG will concur with this decision.

4.1.10

The loan is to be redeemed from the domestic and foreign exploitation proceeds of the funded films respectively the funded series. After the prior repayment of the recognised producer's priority as a rule 50 % of the proceeds paid to the funding recipient from the exploitation are to be used for redemption of the loan. The priority stipulated in the funding contract shall apply.

If other German funding institutions are involved in the financing the repayment can accordingly be agreed pro rata. The repayment obligation shall end after the full repayment of the loan, at the latest however 5 years after the cinema release or first exploitation in Germany.



4.1.11

Within a deadline stipulated in the funding contract the producer can apply for the repaid amounts as a success loan for the preparation or production of a new film or series project according to the regulations of these Awarding Regulations. The decision regarding the awarding of the success loan shall be carried out by the management of MFG.

4.1.12

An achievable copy of a funded cinema film is to be made available to the federal archive free of charge for archiving purposes before disbursement of the last loan instalment. Two DVDs or Blue-rays of all films and series funded by it are to be transferred to MFG free of charge. In the opening or closing credits of films or series funded by MFG reference is to be made to the funding by MFG in a clearly visible position.

4.1.13

The premiere in a cinema of a cinema film funded by MFG should take place in a movie theatre in Baden-Württemberg. Exceptions can e.g. be permitted if the funds of other federal state funding for the cinema film are higher than the granted MFG funding.

4.2

Line Producer funding

4.2.1

A subsidy can be granted for the production of fictional and documentary films and series, which are fully or primarily animated or to a large extent feature virtual shooting or visual effects. The Line Producer (e.g. service producer, animation or VFX-Studio) that has responsibility for this area is entitled to file an application.

4.2.2

The funding should not exceed an amount of one million Euro and 20 % of the recognisable costs incurred in Baden-Württemberg and for which responsibility is to be assumed by the Line Producer in this area. Reference is to be made to these costs with an application by a Line Producer instead of to the recognisable total costs.

4.2.3

The provisions of Subclauses 4.1.4 and 4.1.8 shall apply accordingly. Subclause 2.2 will not apply.



4.3 **Post-production**

4.3.1

In justified exceptional cases producers can be granted funding through an interest-free loan, repayable depending on proceeds, for post-production measures with the production of films or series, which had not been financially supported until this time by any national funding institutions, nor by any national TV or VoD providers. A subsidy can also be granted following a substantiated application.

4.3.2

The prerequisite for the filing of the application is the completion of the shooting.

4.3.3

When filing the application the producer has in particular to submit the screenplay(s) respectively with documentary formats the script that is capable of filming as well as viewing material of the film, a calculation both of the recognisable total costs and also of the applied measure together with financing plans.

4.3.4

The prerequisite for funding is a qualified Baden-Württemberg effect at least in the amount of the granted funding amount.



5. Funding of distribution, sales and promotion

5.1

Distribution and sales measures for fictional and documentary films, in particular for cinema films can be funded.

5.1.1

Distribution and sales companies, in individual cases also producers are entitled to file applications.

5.1.2

The funding shall, as a rule, be granted as an interest-free loan that is repayable to a limited extent. It can, as a rule, amount to up to 50 % of the recognisable total costs, a maximum however of EUR 150,000. The repayment of the loan shall, as a rule, be carried out from all proceeds after deduction of the respective positions recognised in priority in the funding contract. If other German funding institutions are involved in the financing of the film the repayment can accordingly be granted pro rata. The repayment obligation shall end at the latest 5 years after commencement of the first exploitation.

5.1.3

The funding recipient can apply for the repaid amounts as a success loan for the distribution or sale of a new project according to the regulations of these Awarding Regulations within a deadline stipulated in the funding contract. The decision regarding the granting of the success loan shall be carried out by the management of MFG.

5.1.4

At least 120 % of the granted loan amount should be spent in Baden-Württemberg in film-relevant sectors (qualified Baden-Württemberg effect). If a higher Baden-Württemberg effect is stated in the application for funding, this must also actually be provided.

5.2

Following a substantiated application MFG can additionally also grant funding with fictional and documentary films, for which the production is funded by it, for festival copies and presentation, for regional premieres or for other PR and promotion measures.

Producers are entitled to file applications for funding according to Subclause 5.2. The funding will be granted as a subsidy. The funding amount granted for the aforementioned measures should be spent in Baden-Württemberg.

5.3

The provisions of Subclause 4.1.4 shall apply accordingly.



6. Funding of film theatres

6.1 Funding of municipal cinemas

6.1.1

The funding of municipal cinemas in Baden-Württemberg is an institutional funding of non-profit funding bodies in the amount of up to a maximum of EUR 250,000 in an individual case per annum. Funding can only be granted up to the total amount of the budget that is available for this sector annually. There is no entitlement to funding.

6.1.2

The following criteria are to be met:

- a) The funding recipient must work in a non-profit making form as an independent institution, whereby the non-profit making nature is to be proven.
- b) The funding recipient must have been operating the municipal cinema, which the funding is applied for, for at least two years.
- c) A need for subsidisation must exist, which is shown in a budget by a comparison of the expenses and income.
- d) The subsidy should amount to a maximum of 50 % of the subsidy of the municipal authority respectively of the administrative district. The amount of the subsidy is to be proven by a corresponding certificate.
- e) The aid intensity of all state funding included in the financing of the municipal cinema and other aid (MFG, cities and municipal authorities, administrative

districts, etc.) is as a rule limited to a maximum total of 80 % of the recognisable total costs.

- f) Good quality film programmes, which have a reasonable share of European-, German-, Baden-Württemberg and MFG-funded films, are to be offered.
- g) Besides showing the films the subsidised municipal cinemas should also offer supplementary events such as educational seminars, discussions and lectures by authors.
- h) The subsidies municipal cinemas should to a certain extent also seek a connection with other event organisers such as adult education institutes (Volkshochschule), art associations, churches, etc.
- i) The rental costs must as proven be kept in the customary local range. A confirmation is to be submitted by the local responsible real estate department, insofar as the municipal authority or the administrative district is directly or indirectly the landlord or lessor.

6.1.3

Applications for the current calendar year are to be filed by no later than as of 31 December of the previous calendar year.

6.1.4

In exceptional cases commercial cinemas can be granted culturally justified funding according to the sample for municipal cinemas in line with 6.1.2 c) to i).



6.2

Investment funding for commercial film theatres

6.2.1

Commercial film theatre operators can be granted funding for the modernisation of their equipment and technology as well as for conversion measures. The relocation of existing businesses or a new establishment can also be funded. Measures, which contribute to the improvement of an ecologically sustainable operation of a cinema (for example by improving the energy efficiency) can be given preference to with funding.

6.2.2

The funding will be granted as a subsidy. The subsidy is limited to a maximum of 30 % of the recognisable total costs and to a maximum amount of EUR 50,000 in an individual case and can be granted once a year.

6.2.3

The aid intensity of all funding and other aids included in the financing is as a rule limited pursuant to Art. 53 GBER in total to a maximum of 80 % of the recognisable total costs.

6.2.4

The funding recipient has to use own funds or other external funds for the financing to a reasonable extent.

6.2.5

Own services of the film theatre operators are not among the recognisable costs.

6.2.6

Applications for cinemas, which received a programme prize, a certificate or any other film programme award within the last three calendar years before application, can be given preference with the funding.

6.2.7

In order to strengthen the cultural location cinema, in individual cases subsidies can be granted for measures in the fields of marketing, customer loyalty and for special film-related events. Commercial film theatre operators are entitled to file applications. The funding is limited to a maximum of EUR 10,000 in an individual case and can be granted once a year. The subsidy should be used for costs incurred in Baden-Württemberg. Subclauses 6.2.3 to 6.2.6 shall apply accordingly.



6.3

Cinema prizes and awards for commercial film theatres

Cinema cash prizes and awards without cash prizes can be awarded to commercial cinemas in Baden-Württemberg, which showed a special quality film programme with a reasonable share of German films and children's films (including short films) during the closed year.

The prizes will be granted to the respective operators and are earmarked for the operation of the cinema that received the award.

Commercial film theatre operators are entitled to file applications.



7. Other funding measures

The management of MFG can grant subsidies for other high quality measures in order to maintain the film location and the media industry in Baden-Württemberg. The granted funding amount should be spent in Baden-Württemberg. Funding in this sector is carried out according to the provisions of the "de minimis Regulation".

8. Exceptional regulations

The respective juries or the management of MFG can allow exceptions from the provisions of these Awarding Regulations within the scope of their responsibilities.



9. Period of validity

These Awarding Regulations shall come into force from 1 July 2020. The term of these Awarding Regulations is limited until the time when the GBER expires plus an adjustment period of six months, consequently until 30 June 2021.

Should the period of application of the GBER be extended without the relevant content changes relating to the aid regulation, the

term of these Awarding Regulations shall be extended accordingly, however not beyond the 21 December 2022. Should the GBER not be extended and be replaced by a new GBER, or should relevant content changes be made to the current GBER, successor Awarding Regulations, which correspond with the then applicable exemption provisions will be put into force until at least 21 December 2022.



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