



APULIA HOSPITALITY FUND

Public notice

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Application deadline:

10th December 2014

CUP (Project Code): B39E12000820004

CUP (Project Code): B39G13000620009

CUP (Project Code): B39D14009750009

Fondazione Apulia Film Commission

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Sede Operativa: Cineporti di Puglia/Lecce, c/o Manifatture Knos, Via Vecchia Frigole 36, 73100 Lecce, Italy

Sede Operativa: Cineporti di Puglia/Foggia Via San Severo, km. 2 Foggia, Italy

SUMMARY

Type of grant

Public notice for funding application (deadline 10th December 2014), with total funding budget of €666,725.44.

Who can apply

Italian, European and non-European audiovisual, film and TV production companies.

Admissible projects

- full-length feature or animation films (min. 75 mins)
- TV or internet feature or animation films (min. 75 mins)
- TV or internet fiction or animation series (min. 100 mins)
- Documentaries or docu-fictions
- Fiction or animation shorts (max. 20 mins)
- Other formats (all film types not included in the previous categories, with the exception of commercials and TV programmes)

Application requisites

Funding guarantees at the time of application as follows:

- 60% for full length films, TV/internet films, TV/internet series (also animation)
- 30% for documentaries and docu-fictions
- 30% for shorts (also animation)
- 40% for other formats

Allowable costs

The grant covers costs incurred in Apulia exclusively during the shooting period of the film project in the following categories:

- accommodation (hotels, apartment-hotels, rented apartments)
- board (restaurants, catering and packed meals)

Selection criteria

The AFC Foundation Board assesses projects within 60 days and bases evaluation on specific criteria, assigning a score up to a maximum of 100.

Projects which are awarded a score of 60 or more will be eligible for funding.

Amount of funding and maximum grant available

The grant allocated will be 70% of the hospitality costs incurred in Apulia up to a maximum of €200,000 while the funding resources outlined in this public notice are available.

Allowable period of expenses

From 6th November 2014 to 31st March 2015.

Accumulation with other AFC Foundation grants

The grant is accumulable with all other types of AFC Foundation funding except the Apulia Regional Film Fund.

Introduction

As part of an established agreement, the Apulia Region has assigned the Apulia Film Commission Foundation the task of carrying out the regional project “Promotion of Apulian locations of cultural, natural and artistic interest through the organisation of educational tours”, as set out in the agreement of 28 March 2012, in line with the long term programme Axis IV, section 4.3, action 4.3.1 (C) of the European Regional Development Fund 2007-2013. Using funds available from action 4.1.2 for the project “Increase in cine-tourism flow through promotion, communication and attraction to film cast & crew – 2013/2015 and 2014/2015 – Promoting Cinema (PRO.CINE), the Apulia Film Commission Foundation hereby announces a selection procedure for applications for hospitality funding for film production companies who intend to use Apulia for filming in order to guarantee the completion of their projects.

The provision of hospitality funding for film cast and crews forms part of the institutional aims of the AFC Foundation and is in line with its principal activities; moreover, it meets the general objectives of Actions 4.3.1 and 4.1.2 in promoting Apulian locations with a subsequent effect on cine-tourism as well as a reinforcement of the image of Apulia with important effects on tourism (increasing incoming tourist flow and diversifying relative targets) and a significant impact in social-economic terms.

Further aims of this action are to encourage out-of-season tourism, promote specific itineraries, areas of cultural excellence and Apulian environment and landscapes, balance tourist flow and offer development opportunities for different local areas and for the region as a whole.

In addition, this meets the wider objective of encouraging local artists and technicians in the audio-visual field to remain in the region, increasing the number of professionals operating in Apulia and offering employment opportunities by developing factors favouring growth and economic impact and thus attracting further film crews to the area.

The final strategic aim of hospitality funding is that of presenting Apulia as a production hub in attracting investors in the audio-visual field, thus ensuring important effects for the region.

In providing hospitality funding, the AFC Foundation has seen significant recent growth in the number of film production companies operating in Apulia (in particular the production of full length feature films, shorts, documentaries, TV series and TV films), as well as in the vital tourist impact mentioned previously, a result of wider recognition of the region and the promotion of Apulia as a film set both in Italy and abroad.

1. Who can apply

Funding is available for:

- a. Italian audiovisual, film and TV production companies registered with principal code ATECO 2007 n. 59.1 at the Ministry of Cultural Heritage and Activities' Directorate

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- General for Films. These may be sole or co-producers for the film project or executive producers contracted to the film production company;
- b. EU audiovisual, film and TV production companies with an equivalent classification to Eurostat NACE n. 59.1 as principal code. These must have a majority stake in the applying film project as well as proof of at least one completed film project of the same type;
 - c. Non-EU audiovisual, film and TV production companies with a majority stake in the applying film project as well as proof of at least one completed film project of the same type;

presenting projects within the following categories:

- full-length feature or animation films (min. 75 mins)
- TV or internet feature or animation films (min. 75 mins)
- TV or internet fiction or animation series (min. 100 mins)
- Documentaries or docu-fictions
- Fiction or animation shorts (max. 20 mins)
- Other formats (all film types not included in the previous categories, with the exception of commercials and TV programmes)

Except in exceptional and justifiable cases, applicants will be denied funding where the applicant has not settled invoices pertaining to suppliers or outstanding payments or wages to be made to cast and crew for film projects produced previously in Apulia or has not completed any previous projects which received funding from an AFC Foundation grant.

2. Available Funds

The financial resources available for Hospitality Funding as set out in the current document **for the tranche of November 2014** total **€666,725.44** for hospitality costs incurred in the period from the publication of this public notice (6th November 2014) to 31st March 2015. The grant allocated will cover **70% of the hospitality costs incurred in Apulia up to a maximum of €200,000** while the funding resources outlined in this public notice are available.

The grant is accumulable with all other types of AFC Foundation funding except the Apulia Regional Film Fund

3. Selection criteria and funding

The Board will consider projects from production companies presenting a budget plan,

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including relative contracts, that certifies a **minimum overall project funding guarantee** of:

- **60%** for full length films, TV/internet films, TV/internet series
- **30%** for documentaries and docu-fictions
- **30%** for shorts (also animation)
- **40%** for other formats

Full-length films, TV/internet films and TV/internet series must also be in possession of a **contract** with a distributor, broadcaster or video-on-demand web platform. Film projects must be set entirely or partially in the Apulia region;

Upon verification of the above criteria, applications will be examined by a Selection Committee nominated by the AFC Foundation Board **within 60 days of the application deadline**.

The Selection Committee will take into account the non-binding opinions of two film experts, historians or critics and will award a maximum score of 100 points based on the following criteria:

EVALUATION - APULIA HOSPITALITY FUND		Points
A	CONTENT AND ARTISTIC QUALITY	
A1	Quality of story /screenplay	up to 5
A2	Quality of writing	up to 5
A3	Solidity of narrative structure	up to 10
Total section A		20
B	SETTING AND LOCAL IMPACT	
B1	Local setting of film (entirely or partially)	up to 30
B2	Production days (indoor and outdoor) in Apulia	up to 20
B3	Out-of-season aspects of film	up to 10
Total section B		60
C	PRODUCTION	
C1	Participation of Apulian audiovisual personnel (director, writer, screenwriter, principal actors, musical composer, director of photography, set designer, costume designer, editor, interior designer, make-up artists etc.)	10

C3	Distribution plan of film project	10
	Total section C	20
	TOTAL	100

The Commission will evaluate applications at their discretion in line with the objectives set out in this public notice and the requisites outlined above. Only projects attaining a **minimum score of 60 points** will be eligible for funding. The hospitality grant allocated will cover **70% of the hospitality costs incurred in Apulia up to a maximum of €200,000** while the funding resources outlined above are available.

Publication of the results of funding applications will be posted on the website www.apuliafilmcommission.it in the Apulia Hospitality Fund section. If an application is successful, the Apulia Film Commission will draw up a contractual agreement with the beneficiary in line with decisions made by the Sole Supervisor of the selection procedure.

4. Application conditions and procedures

Funding applications must be completed in line with the form attached below (Attachment A) and include the checklist (Attachment B). Furthermore, the following documents must be included in applications (failure to comply will result in an invalid application):

- Budget plan, attaching relative contracts, which certify the minimum project funding guarantee as follows:
 - a. 60% for full length films, TV/internet films, TV/internet series¹;
 - b. 30% for documentaries / docu-fictions;
 - c. 30% for shorts;
 - d. 40% for other formats.

In cases where an applicant's budget plan indicates a **direct financial shareholding** of the company as part of the project's minimum funding guarantee, a bank document (dated as per the application) must be provided certifying the availability of the amount indicated by the production company: cash assets, third party resources, loans to repay (e.g. mortgages). Where financial shareholding is managed by co-producers or associate producers in order to meet minimum admissible funding guarantees, these must also be certified by appropriate bank documentation.

¹ For these types of projects, applicants must be in possession of at least one of the following contracts: distribution contract, broadcaster contract, video-on-demand web platform contract.

- contract with a distributor, broadcaster or video on demand web platform for full-length films, TV/internet films and TV/internet series;
- company profile of the applicant and all other parties involved in the production (co-producers or executive producers);
- all co-production or executive production contracts;
- detailed budget estimate (above and below the line costs) for the complete film project;
- detailed budget estimate (above and below the line costs) for expenditure incurred in Apulia;
- updated copy of the applicant's Chamber of Commerce company registration;
- photocopy of ID document and tax code of legal representative of applying production company;
- link to most recent projects completed by production company and director;
- storyline, synopsis and screenplay;
- filmography of writer(s);
- filmography of producer;
- profile of cast and crew, highlighting local professionals already employed or to be selected, excluding extras, special appearances and trainees;

Applications may be sent from the date of publication of this public notice **until 10th December 2014** by PEC to the following address:
hospitality@pec.apuliafilmcommission.it

The subject of the e-mail must state the following:
"Application for Apulia Hospitality Fund grant"

The following **conditions will lead to the exclusion** of applications:

- a. application packages sent differently from the procedure outlined above;
- b. applications made without using the official application form and / or an erroneous or incomplete compilation of the form;
- c. missing or incomplete document attachments.

5. Allowable expenses

Funding for hospitality services aims to cover direct expenses incurred by production companies in Apulia **excluding VAT** during the **shooting period** of the film project for the following expenditure types:

- **accommodation** (hotels, apartment hotels, B&Bs, rented apartments);
- **board** (restaurants, catering and packed meals).

Production companies must use suppliers which have been selected by the AFC Foundation following public tender procedures from a list² which can be consulted on the AFC website, except in specific circumstances outlined below.

6. Production company obligations

Where funding is provided, beneficiary production companies must:

- a. use, for the aforementioned expenses on accommodation and board, suppliers selected by the AFC Foundation following a public tender procedure, details of which can be found on the AFC Foundation website. This is subject to the availability of the suppliers to provide the services required. In cases where AFC-selected suppliers are unable to provide these services, the beneficiary production company is obliged to obtain and send **a minimum of three** estimates to the accounting department of the Apulia Film Commission head offices. Companies are expected to use those services with the lowest-quoted price or those whose quality or specific facilities are deemed necessary by the beneficiary production company for hospitality purposes (no. of stars, level of accommodation comfort, proximity to set for all services, etc.). In all cases, the maximum expenditure per supplier is €40,000.

In cases where it is impossible to obtain three estimates (i.e. the area chosen by the production company does not have hotels/restaurants with an appropriate standard of quality), the production company may proceed with the selection of suppliers but is required to provide the accounting department of the AFC head office with a written report outlining the reasons for the impossibility of attaining estimates;

- b. send, by e-mail, before the start of production preparation:

- a pre-production programme;
- a complete list of cast and crew (highlighting Apulian personnel);
- a complete list of suppliers (highlighting Apulian suppliers);

- c. send, by e-mail, before the start of production (including any updated information during shooting):

- a complete production plan;
- a complete list of cast and crew (highlighting Apulian personnel and actors);
- a complete list of suppliers (highlighting Apulian suppliers);
- a complete list of locations to be used (highlighting Apulian locations);

² <http://www.apuliafilmcommission.it/wp-content/uploads/Elenchi-manifestazione-risto.pdf>
<http://www.apuliafilmcommission.it/wp-content/uploads/Elenchi-manifestazione-allo.pdf>

In December 2014 a new list of hospitality suppliers will be available for funding expenses incurred from January 2015 onwards.

- d. during production, to send daily production shooting schedules by e-mail;
- e. organise a press conference in Apulia before the start of or during shooting in the presence of national and international newspaper journalists and with the participation of the director and/or leading actors as well as representatives of the AFC Foundation;
- f. allow, at any given time, for the presence of an AFC representative during production;
- g. permit video recording or photography during production, to be carried out by the AFC representative for purely documentary purposes;
- h. send by e-mail before the end of production in Apulia:
- a post-production plan;
 - a complete list of post-production crew (highlighting Apulian personnel);
 - a complete list of cast (e.g. sound dubbers), highlighting Apulian personnel;
 - a complete list of suppliers (highlighting Apulian suppliers used);
- i. include the AFC Foundation logo in the text “Film made with the support and funding of [AFC logo] in the opening credits or alternatively in the first frame of closing credits as well as on all the film’s information, publicity and promotional material (pressbook, etc.) together with the logos of the Apulia Region – Mediterranean, Culture and Tourism Department and the European Union (followed by the text: "Initiative co-financed by the European Union Fund for Regional Development (ERDF) and the EU – Investing in Your Future”); screen image previews of the opening and closing credits in jpeg format must be sent to the AFC Foundation before any final or duplicate version of the film is completed. Failure to comply with this condition will result in the revocation of the outstanding balance of allocated funds;
- j. grant the Apulia Film Commission the rights for the free use of film footage as well as scene and backstage photography for AFC Foundation and Apulia Region institutional and promotional use;
- k. provide the AFC, at no additional charge, with 5 DVD copies of the film and backstage footage (or extra promotional footage) and 2 CD copies of scene photography;
- l. in cases of participation in national or international film festivals, allow for the presence of an AFC representative at the film presentation press conference at the festival where it has been entered.

7. Further production company obligations

In order to obtain funding allocation and to avoid administrative and criminal penalties ratified by law, beneficiary production companies must:

- adhere to Italian national law no. 136 (passed on 13 August 2010), “Extraordinary anti-mafia legislation and government authority on anti-mafia regulations” (Official Gazzette no.196, 23 Aug 2010) in order **to trace cash flow**; contractors and sub-contractors as well as public financial agents (European or otherwise) in any way related to work carried out, services or supply must use one or more public current bank or post office accounts. In all cases where transactions are carried out without using banks or the Italian Post Office Ltd, under article 3.8 of the aforementioned law, funding will be withdrawn. Adherence to this law also requires the **inclusion of the Project Code (CUP)** on all documents set out by regulations to trace cash flow. This includes payment invoices;
- adhere to current regulations regarding social security contributions, medical assistance and workplace insurance for technical and artistic staff hired, including temporary staff, with clear reference to their employment status and the payment of all legally required contributions;
- provide the following documentation:
 - a. self-certification of a DURC account (Certificate of national insurance contribution payments) as per Presidential Decree no.445 (28 Dec 2000) as a requirement of contribution and insurance obligations; this is required even for companies that have no permanent employees if they are required to be insured both with INAIL and INPS;
 - b. self-certification, as per Presidential Decree no.445 (28 Dec 2000), attesting to compliance with obligations set out by Legislative Decree no.83 (2012), art.13.iii, with regard to contractors and sub-contractors of works and services and regular payment of tax deductions.

8. Financial report procedures

The beneficiary production company must provide both on paper and in electronic format an **expenditure summary table**, to be signed and stamped by a legal representative of the production company (this will be sent by e-mail to funding beneficiaries). The form must refer to the period indicated in the funding application; invoices and payments must be within the stipulated period for expenses to be considered allowable.

The following hospitality expenses in Apulia are deemed allowable provided they are incurred in Apulia **between 6th November 2014 and 31st March 2015**:

- **Accommodation**: all expenses pertaining to accommodation expenses (e.g. hotels, B&Bs, etc.). A **rooming list** must be attached;
- **Board**: all board expenses such as refreshments, catering and packed meals;

All expense claims must be accompanied by receipts and include specific documentation of payment made (bank or post office account transfers and/or copies of bank statements). Under article 3, law no. 136/2010 to trace cash flow, all payments must be made **exclusively by bank or post office transfer**. The production company must use a current account specifically for the film project in question. Failure to comply with these conditions will result in the non-reimbursement of expenses.

Production companies must also send a **list of suppliers used**. In cases where AFC-listed suppliers are unable to provide these services, the beneficiary production company must send a **minimum of three estimates** with proof that the lowest priced services were used or those whose quality or specific facilities are deemed necessary by the beneficiary production company for hospitality purposes (no. of stars, level of accommodation comfort, proximity to set for all services, etc.) In all cases, the maximum expenditure per supplier is €40,000. In cases where it is impossible to obtain three estimates (e.g. the area chosen by the production company does not have hotels/restaurants with an appropriate standard of quality), the production company must provide the AFC with a **written report** outlining the reasons for the impossibility of obtaining estimates.

Production companies must also send the AFC Foundation offices a complete financial report of expenses incurred **within 60 days** of the end of the allowable expenses period. i.e. 31st March 2015.

9. Allocation procedures

Funding will be allocated upon delivery of the complete financial report and where all conditions outlined in this public notice have been complied with.

The invoice for funding is subject to modification or withdrawal (see article 7) and thus may only be requested from the Foundation after **final checks of the completed financial report have been made**.

Funding is **exempt from VAT** as it is allocated by a non-profit organisation, as per Art. 2,3(A) of Presidential Decree no.633 (26 Oct 1972). The invoice, including a €2 revenue stamp, must clearly show the **CUP number**.

In accordance with legislation governing payments made by public administrations, the AFC Foundation is legally obliged to carry out **checks through the Equitalia system** and examine any contracted payment of over €10,000 for outstanding fiscal burdens with regard to the Italian tax authorities. In case of non-compliance, any debts which production companies have incurred with the tax authorities will be automatically distrained by Equitalia and paid by the AFC in the name and on behalf of the production creditor.

10. Duration, cancellation of funding, jurisdiction and treatment of personal data

The contract is valid upon the signing of funding agreement and will expire definitively on 31st March 2015, except in cases where funding is withdrawn.

Agreed funding will not be allocated or, where payment has been made, must be returned where there is evidence of forgery of documentation or financial accounts, if false or deliberately imprecise statements have been made or if the documentation provided is inadmissible.

Failure to comply with the regulations stipulated in this document will result in the enforced reimbursement of funding already allocated and non-payment of any outstanding balance. It is agreed that the place of jurisdiction for all disputes arising out of, or in connection with these regulations will be exclusively that of Bari.

On signing the application form, applicants agree to accept all conditions set out under these regulations.

Under Legislative Decree 196/2003, the holder of all data provided in applications for the Apulia Hospitality Fund will be the AFC Foundation.

Bari, 6th November 2014
Reference. no. 3454/14/U