

EUROPA CINEMAS INTERNATIONAL – GUIDELINES 2011

PROJECTION OF EUROPEAN FILMS IN THEATRES IN NON-EU COUNTRIES PROJECTION OF FILMS FROM NON-EU COUNTRIES IN EUROPA CINEMAS THEATRES IN THE EUROPEAN UNION

A. LIST OF PARTICIPATING COUNTRIES

- **Non EU-countries:** Asia, Latin America, MEDA zone. Countries where the market share of European films exceeds 10% of theatre takings are excluded from this programme, as are countries eligible for the Eurimages programme.
- **Countries of the European Union:** Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, the United Kingdom.

B. OBJECTIVES

- **In non-EU countries:** to facilitate sales of European films, encourage their promotion and boost their share of programming in theatres by providing support to exhibitors in order to help them improve the public visibility of these films and to increase their attendance numbers.
- **In the countries of the European Union:** to foster sales of films from non-EU countries, boost the programming share of these films in theatres by providing support to exhibitors of the Europa Cinemas network for this additional programming component, improve the public visibility of these films and increase their attendance numbers.
- **In all the countries concerned:** to develop an international network of theatres by bringing together cinema professionals (distributors and exhibitors) around common objectives of exchanges and reciprocity to improve the dissemination of European productions in partner countries and of films from those countries in Europe. To encourage activities suitable to increase young audiences' awareness of the cinema industry in the countries concerned.

C. ELIGIBLE FILMS

- **In non-EU countries:** Exhibition grants are available for all European films (MEDIA criteria), where the production costs do not exceed 25 million Euros and purchased for commercial release in theatres by a distributor established in a non-EU country. Special attention will be paid to films produced in European countries with low audio-visual production capacities and in the new member states of the European Union.
- **In the countries of the European Union:** Exhibition grants are available for all films produced in Asia, Latin America or in the MEDA zone (cf. list hereunder), where the production costs do not exceed 25 million Euros, and purchased for commercial release in theatres by a distributor established in the European Union.

D. FILM DIVERSITY

- **In non-EU countries:** In order to encourage sales of a greater variety of European films in these countries, a diversity criterion has been established: exhibitors cannot be given grants for more than 3 releases per year from the same country.
- **In the countries of the European Union:** In order to encourage programming of a greater variety of films from non-EU countries in Europe, the following diversity criterion has been established: exhibitors cannot be given grants for more than 2 releases per year from the same country.

• **Bonus for diversity of programming:** In order to encourage the programming of a greater range of European and non-European films film nationalities, a bonus is granted to exhibitors according to the criteria mentioned below. The bonus is triggered once a minimum of 5 different nationalities are represented among the films supported.

Scale of Diversity Bonus

Number of nationalities represented	Bonus Amount for exhibitors in Europe	Bonus Amount for exhibitors in non-EU countries
5	100 €	150 €
6	120 €	180 €
7	140 €	210 €
8	160 €	240 €
9	180 €	270 €
10	200 €	300 €
11	220 €	330 €
12	240 €	360 €
13	260 €	390 €
14	280 €	420 €
15 and more	300 €	450 €

E. BENEFICIARIES

- **In non-EU countries:** Exhibitors operating commercial film theatres, commercial or public theatre networks.
- **In the countries of the European Union:** Exhibitors operating theatres belonging to the Europa Cinemas network.

F. SUPPORT MECHANISM

- **In non-EU countries:** funding paid to exhibitors to reward their efforts to show European films, determined on the basis of numbers of weeks of programming, screenings and admissions.
- **In the countries of the European Union:** funding paid to exhibitors of the Europa Cinemas network to reward their efforts to show films from non-EU countries, determined on the basis of numbers of weeks of programming, screenings and admissions.

In both cases, the funding paid out shall not exceed 50 % of the investment made by the exhibitor for the rental of the eligible films programmed.

Programming of European films in theatres of non-EU countries

Eligibility criteria for theatres:

Funding will be available to theatres or groups of theatres meeting the following criteria:

- theatres located in countries of Asia, Latin America, or MEDA countries
- commercial theatres that are open to the general public, charge box-office prices and declare their takings
- minimum number of screenings per week: 20
- minimum number of seats: 70 per establishment
- projection equipment 35 mm or digital *; screen, sound and seats in good condition
- hygienic and security conditions in compliance with national legislation
- pornographic cinemas excluded

* The programming of European films on DVD shall only be taken into account where there is the explicit agreement of the distributor or the rights holder concerned.

Obligations of beneficiaries:

Beneficiary theatres undertake to:

- Send the applications to Europa Cinemas within the stipulated deadlines. Application files must include:
 - a dossier introducing the cinema and explaining its exhibition structure
 - a list of European programming for the last six months of the previous year
 - photographs of the theatre (façade and inside) and a photo of the exhibitor and samples of the theatre's publications
- conclude with Europa Cinemas an agreement for the programming of European films having certain set conditions with Europa Cinemas
- at the end of each year, publish a list of their European programming showing the following information: titles of all European films screened, numbers of weeks of programming, screenings, admissions and takings for each of these films.

Within the limits of the programme's priority criteria and the budget granted to Europa Cinemas by the European Commission, this detailed information will trigger payment of financial support to the theatre, assuming objectives have been met.

Funding modalities:

- *Prerequisite:* *European programming consisting of a significant number of films and screenings for the previous year will be necessary for a theatre to be eligible to apply for funding. Figures will be examined country by country on the basis of the market share of European films screened in theatres. Grants will be paid out for each European film screened with a release date **between 1 February and 31 December 2011.** Funding is triggered **if at least 2 European films are programmed within this period of time** and comply with the programming conditions (see below).*
- *Programming conditions:* *the film for which funding is being applied must be shown in the theatre on a first-run basis for a minimum number of **2 screenings per day** over a minimum period of two consecutive weeks.*
- *Calculation of funding:* *The amount of funding may not exceed 50% of the rental invoice paid by the exhibitor to the distributor for the film concerned.*
 1. *For a European film projected in one cinema belonging to a single exhibition company, the amount of funding will be defined according to the number of admissions achieved by the film in the cinema and shall not exceed 0.50 Euros per admission with a maximum of 1,000 Euros per film projected under the terms and conditions defined above.*
 2. *For a European film projected in several cinemas belonging to a single exhibition company and in the same metropolitan area, the amount of funding will be defined according to the total number of admissions achieved by the film in the metropolitan area and shall not exceed 0.50 Euros per admission with a maximum of 1,250 Euros per film projected under the terms and conditions defined above.*
 3. *For a European film projected in several cinemas belonging to a single exhibition company in two different metropolitan areas, the amount of funding will be defined according to the total number of admissions achieved by the film in the two metropolitan areas and shall not exceed 0.50 Euros per admission with a maximum of 1,500 Euros per film projected under the terms and conditions defined above.*
 4. *For a European film projected in several cinemas belonging to a single exhibition company in more than two different metropolitan areas, the amount of funding will be defined according to the total number of admissions achieved by the film in all the metropolitan areas and shall not exceed 0.50 Euros per admission with a maximum of 2,000 Euros per film projected under the terms and conditions defined above.*

Maximum annual funding granted per cinema: 8,500 Euros

Maximum annual funding granted per exhibition company established in 1 metropolitan area: 12,000 Euros

Maximum annual funding granted per exhibition company established in 2 metropolitan areas: 15,000 Euros

Maximum annual funding granted per exhibition company established in 3 to 5 metropolitan areas: 20,000 Euros

Maximum annual funding granted per exhibition company established in more than 5 metropolitan areas (with a minimum of 20 screens overall): 30,000 Euros

- Review and payment: At the end of every year, Europa Cinemas will review film theatre's programming and make payments on presentation of evidence of the total number of admissions and takings for the film concerned. The exhibitor will have to be able to prove the origin of the film rights for which they request funding. No advance payments will be made. Funds will not be paid out to companies that are no longer in business at the time of payment. Payments made are not reimbursable.

Programming of films from non-EU countries in theatres belonging to Europa Cinemas

Eligibility criteria for theatres:

Funding will be available to theatres or groups of theatres belonging to the Europa Cinemas network in the countries of the European Union (Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom) and meeting the following criteria:

- first-run commercial theatres charging box-office prices and declaring their takings
- open to the public for a minimum of six months
- minimum number of screenings per year: 520
- minimum number of seats: 70 per establishment
- projection equipment 35 mm or digital; screen, sound and seats in good condition
- hygienic and security conditions in compliance with national legislation
- pornographic cinemas excluded.

Obligations of beneficiaries:

Beneficiary theatres undertake to:

- sign a programming agreement with set conditions for films from non-EU countries
- at the end of each year, publish a list of non-EU films shown within the scope of the agreement with Europa Cinemas, including the following information: titles of all non-EU films screened, numbers of weeks of programming, screenings, admissions and takings for each of these films. Within the limits of the programme's priority criteria and the budget granted to Europa Cinemas by the European Commission, this detailed information will trigger payment of financial support to the theatre, assuming objectives have been met.

Funding modalities:

- Prerequisite : programming of films from partner countries consisting of a significant number of films and screenings for the previous year will be necessary for a theatre to be eligible to apply for funding. Figures will be examined country by country on the basis of the market share achieved by films from partner countries.

Grants will be paid out for each non-EU film screened with a release date **between 1 February and 31 December 2011.**

Funding is triggered if **at least 3 non-EU films are programmed within this period of time** and comply with the programming conditions (see below).

- Programming conditions for A countries with more than 3%* market share of non-EU films: the film for which funding is being applied for must be shown in the theatre on a first-run basis for a minimum number of **21 screenings** over a minimum period of two consecutive weeks for single-screen cinemas, and for a minimum number of **35 screenings** over a minimum period of two consecutive weeks for theatres of two screens or more.

- *Programming conditions for B countries with less than 3%* market share of non-EU films: the film for which funding is being applied for must be shown in the theatre on a first-run basis for a minimum number of **14 screenings** over a minimum period of two consecutive weeks for single-screen cinemas, and for a minimum number of **28 screenings** over a minimum period of two consecutive weeks for theatres of two screens or more.*

** source: European Audiovisual Observatory*

- ***Calculation of funding :**
The amount of funding may not exceed 50% of the rental invoice paid by the exhibitor to the distributor for the film concerned.*

1. For a film from non-EU countries projected in one cinema belonging to a single exhibition company, the amount of funding will be defined according to the number of admissions achieved by the film in the cinema and shall not exceed 0.50 Euros per admission with a maximum of 400 Euros (A country) or 500 Euros (B country) per film projected under the terms and conditions defined above.

2. For a film from non-EU countries projected in several cinemas belonging to a single exhibition company and in the same metropolitan area, the amount of funding will be defined according to the total number of admissions achieved by the film in the metropolitan area and shall not exceed 0.50 Euros per admission with a maximum of 500 Euros (A Country) or 600 Euros (B Country) per film projected under the terms and conditions defined above.

3. For a film from non EU countries projected in several cinemas belonging to a single exhibition company in two metropolitan areas or more, the amount of funding will be defined according to the total number of admissions achieved by the film in all the metropolitan areas and shall not exceed 0.50 Euros per admission with a maximum of 700 Euros (A Country) or 1,000 Euros (B Country) per film projected under the terms and conditions defined above.

Maximum annual funding granted per cinema: 2,500 Euros

Maximum annual funding granted per exhibition company established in 1 metropolitan area: 4,000 Euros

Maximum annual funding granted per exhibition company established in 2 to 5 metropolitan areas: 5,000 Euros

Maximum annual funding granted per exhibition company established in more than 5 metropolitan areas (with a minimum of 20 screens overall): 12,000 Euros.

- ***Review and payment :** At the end of every year, Europa Cinemas will review theatres' programming and make payments on presentation of evidence of the total number of admissions and takings for the film concerned. No advance payments will be made. Funds will not be paid out to companies that are no longer in business at the time of payment. Payments made are not reimbursable.*

G. DEFINITIONS

• European films

“European films” are feature-length or short fictional films, documentaries or animated films produced or co-produced in a majority proportion by one or several European companies and where European film professionals have contributed significantly to production (cf. MEDIA criteria). Production cost of the film should not exceed 25 million Euros.

Advertising films, pornographic or racist films and films inciting to violence are excluded from this definition.

• Non-EU films

“Non-EU films” are feature-length or short fictional films, documentaries or animated films produced or co-produced in a majority proportion by one or several non-EU companies (see the list below), directed by a non-EU filmmaker and where actors and technicians from non-EU countries have contributed significantly to production. Particular attention is given to films and programming aimed at children and young audiences. Production cost of the film should not exceed 25 million Euros.

Advertising films, pornographic or racist films and films inciting to violence are excluded from this definition.

ASIA			
AF	Afghanistan	ID	Indonesia
KG	Khirghiztan	LA	Laos
KZ	Kazakhstan	MY	Malaysia
TJ	Tadjikistan	MM	Myanmar
TU	Turkmenistan	PH	Philippines
UZ	Uzbekistan	SG	Singapore
RU	Russia	TH	Thailand
BD	Bangladesh	VN	Vietnam
BT	Bhutan	CN	China
IN	India	HK	Hong Kong
MV	Maldives	MO	Macao
NP	Nepal	JP	Japan
PK	Pakistan	KR	South Korea
LK	Sri Lanka	KP	North Korea
BN	Brunei Darussalam	MG	Mongolia
KH	Cambodia	TW	Taiwan

LATIN AMERICA			
CR	Costa Rica	AR	Argentina
SV	El Salvador	BR	Brazil
GT	Guatemala	CL	Chile
HN	Honduras	CO	Colombia
MX	Mexico	EC	Ecuador
NI	Nicaragua	PY	Paraguay
PA	Panama	PE	Peru
		UY	Uruguay
		VE	Venezuela

MEDA			
DZ	Algeria	LB	Lebanon
EG	Egypt	JO	Jordan
LY	Lybia	IL	Israel
MA	Morocco	SY	Syria
TN	Tunisia	TR	Turkey
AP	Palestinian Territories		

• **First-run films**

Priority will be given to recent films presented to the public within a maximum period of twelve months from their first commercial release in the country concerned.

• **A countries / B countries in Europe**

A and B countries are defined on the basis of the market share of non-EU films screened in theatres in these markets. (A countries: countries having more than 3% market share of films from non-EU countries / B countries: countries having a less than 3% market share of films from non-EU countries). The list of A and B countries will be reviewed every year according to the evolution of the market.

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