

[AT] New Film Aid System Based on DFFF Model

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At the beginning of 2010, the Austrian *Bundesministerium für Wirtschaft, Familie und Jugend* (Ministry for the Economy, Family and Youth) announced that a new model for aid for the Austrian film industry would be introduced later in the year. This model is essentially based on the *Deutsche Filmförderfonds* (German Film Fund, DFFF; see IRIS 2007-1:3/3).

At present, only the draft aid guidelines, which are currently at the notification stage, are available. According to the draft, the system will be implemented by the *Bundesministerium für Finanzen* (Ministry of Finance), which will use the *Austrian Business Agency GmbH* (ABA) and *Austrian Wirtschaftsservice GmbH* (AWS) for this purpose. The first payments should be made in the second half of the year. A budget of EUR 5 million is set aside for 2010, followed by EUR 7.5 million for 2011 and 2012.

Aid will be available for Austrian feature and documentary films as well as international co-productions and jointly-financed films that are at least 79 minutes long (59 minutes for children's films) and have a budget of at least EUR 1 million for feature films or EUR 200,000 for documentary films. Support will only be offered if at least 25% of the production costs are spent in Austria. This proportion may be reduced to 20% for large productions with a budget of more than EUR 10 million. Exceptions may be made for jointly-financed films and well-founded individual cases.

Production costs that are eligible for aid must, in principle, be spent in Austria. Eligible costs include, for example, preliminary production costs, exploitation rights, salaries, wages, fees, video and audio recording, editing, synchronisation, mixing, image and sound production, adaptation, travel, carriage and transport costs. The maximum level of support for an individual project is 25% of the eligible production costs, which may not exceed 80% of the overall production costs.

Aid will be granted on a "first come, first served" basis until the funds are exhausted. However, as in the German model, the films must pass a (relatively low-threshold) cultural quality test. The content is not evaluated by a commission, for example.

Applicants must be legal entities (producers) with their headquarters in the European Economic Area and at least one office or subsidiary in Austria, and must have an appropriate level of experience. They must demonstrate that they have produced and exploited films with an Austrian flavour in the previous five years. They must also provide a reference film of which they have sold at least 15 copies (three copies for documentary films, seven copies for a producer's first film). Where jointly-financed films are concerned, one Austrian partner is required, in principle. Finally, the film producer must agree to sell at least 15 copies of the film in Austria (three copies for documentary films, seven copies for a producer's first film).

Payments will be made in three instalments (40% at the start of filming, 40% when the rough cut is ready and 20% when the final costs are known). According to the draft, applications will be dealt with within seven weeks of submission, while the film producer has three months in which to demonstrate how the overall funding of the project will be acquired and must start shooting within four months. The aid programme will initially run until 31 December 2012.

