



Australian Government



FEATURE FILM PRODUCTION GUIDELINES

RELEASED 10 FEBRUARY 2015
Updated May 2016

These guidelines apply to all applications for production funding or Letters of Interest submitted from the release date above.

Screen Australia reserves the right to change its program guidelines from time to time. Please ensure you check the website for the latest version. See page 10 for an update log.

The guidelines should be read in conjunction with Screen Australia's Terms of Trade.

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Contact an Investment Manager

Before applying to Screen Australia for a Letter of Interest or production funding, it is essential that you contact an Investment Manager to discuss your project. Call the Program Operations team on 1800 507 901 if you are unsure who to speak with.

We also encourage you to contact the Program Operations team before you submit your application to discuss any eligibility questions and ensure all the required supporting material is in place. This will mean we can process your application as smoothly and efficiently as possible. Call them on 1800 507 901.

Feature film production

Screen Australia's Feature Film Production program aims to support a diverse slate of Australian films for theatrical release that entertain and enlighten domestic and international audiences while reflecting the unique characteristics of Australian identity.

The program is open to films of any budget size, including low-budget projects and projects that require completion funding.

Marketplace attachments are required, but they are not the only elements taken into consideration when Screen Australia makes funding decisions.

Documentary projects, including theatrical or feature-length documentaries, are not eligible under this program. Refer to our [Documentary programs](#).

To be considered for Screen Australia production funding, a project must demonstrate that all other finance is in place at time of application.

However, producers may apply for a Screen Australia [Letter of Interest](#) at an earlier stage (see page 6).

What funding is available?

Screen Australia will not contribute more than 65 per cent of the total budget, inclusive of any Producer Offset amount. (Please note: in certain exceptional circumstances total funding can go as high as 75 per cent at the Board's discretion.)

Further, Screen Australia investment is capped at \$2 million to a single theatrical feature film through this program unless there are exceptional circumstances.

For **official co-productions** the 65 per cent cap applies only to the Australian components of the budget.

IMPORTANT: The Australian co-producer must lodge an application for provisional approval as a co-production with Screen Australia before applying for production funding. Provisional approval is required before the decision meeting at which the project will be considered for funding, although some flexibility is allowed if approval is delayed due to circumstances outside the control of the producer or Screen Australia. See [Co-production Program](#).

Producer Offset and co-production provisional approvals must not be more than two years old (from the date of your application for production investment). If approvals were granted over two years ago, a re-assessment by the Producer Offset and Co-production Unit will be required before Screen Australia can accept the application. See [Producer Offset](#) or [Co-production Program](#).

Low-budget feature films: For feature films which are intended to be produced with a total production budget under \$1.5 million, Screen Australia may exercise flexibility in the application of these guidelines, particularly in relation to marketplace components.

Gender Matters Attachment Scheme:

Screen Australia is running a pilot attachment program in the financial year 2016-17 under the Gender Matters Initiative.

Participation is automatic for productions that apply for more than \$500,000 investment from Screen Australia across scripted drama projects (Feature and General & Children's TV).

If the Screen Australia ask in your finance plan is over \$500,000 please access the Gender Matters Attachment Scheme Information for Producers [here](#).

Completion/post-production funding:

Applications for completion/post-production funding can now be submitted **at any time** using the online application portal available via the website. Completion/post-production applications must meet the same eligibility requirements as applications for production funding.

Maximum turnaround time for application decisions is approximately 4–6 weeks.

Completion funding is capped at \$250,000.

Who can apply?

Projects must be feature-length and intended for theatrical release.

The producer must demonstrate, subject to the approval of Screen Australia funding, that the project has a complete finance plan, which must include (but is not limited to):

- an acceptable offer to theatrically distribute the project in Australia (with sufficiently detailed commercial terms) from an appropriate domestic distributor, and
- an acceptable offer to represent the project for Rest of World sales (with sufficiently detailed commercial terms) from an appropriate international sales agent.

There is no separate deadline for a confirmed finance plan. Applications for production funding without finance in place will not be accepted.

A project cannot normally be submitted for production funding concurrently with an application for Screen Australia development funding. Contact an Investment Manager to discuss further.

Unless the applicant is able to demonstrate exceptional circumstances, projects are ineligible if they have been unsuccessful:

- twice for production funding, or
- once for production funding after up to two unsuccessful applications for a Letter of Interest.

Applicants and projects must also meet the general eligibility requirements set out in Screen Australia's [Terms of Trade](#).

What is the assessment process?

Complete and eligible applications will be reviewed by Screen Australia executives and external industry specialists as required.

- Funding recommendations will be made at a meeting chaired by the CEO and composed of relevant Screen Australia staff and external assessors.
- Decisions for recommended projects requesting more than \$1 million will be made by the Board.

- Decisions for recommended projects requesting \$1 million or less may be made by the CEO.

Applicants may be interviewed as part of the assessment process.

Assessment criteria

Screen Australia will take the following equally weighted criteria into account when considering projects for funding under this program:

- **Script or rough cut:** In relation to: (i) the quality of the writing or filmmaking and cinematic storytelling; (ii) the strength and distinctiveness of the idea or film within its own genre; (iii) the reader's or viewer's emotional engagement with the story and characters; (iv) [unless the application is for completion/post-production funding], the readiness of the script to move into production.
- **Creative team:** The producer and director according to: (i) skills, relevant experience and achievements which demonstrate either a successful track record or an exciting new talent; and (ii) their demonstrated creative, technical and managerial capacity to deliver the completed film; (iii) the director's vision for the film or final cut.
- **Market strength:** The project's market value according to: (i) the strength of the domestic distributor's strategy for the film; (ii) the track record of the distributor and its suitability to the project; (iii) the international distribution strategy and sales estimates; (iv) the track record of the international sales agent and its suitability for the project.
- **Project:** The project's potential in relation to: (i) the team's demonstrated understanding of the film's intended audience; (ii) the quality of any proposed or attached cast, or the calibre of the performances in the cut; (iii) the quality of any proposed heads of department or the strength of the production values as evidenced by the work by the heads of the department; (iv) the potential for the film to be selected for an A-list festival; (v) the potential for the film to appeal to a significant audience in Australia and internationally.
- **Viability:** The likelihood that the project can be realised with reference to (i) its budget size relative to its intentions; (ii) its budget size relative to its potential audience; (iii) the strength and quality of the deals proposed in the finance plan; (iv) the proposed recoupment position for equity investors.

Other factors, including availability of funds, diversity of slate and the gender and cultural diversity of the team may also influence Screen Australia's funding decisions.

Applicants will be advised of the outcome as soon as possible after the relevant decision meetings, generally within 6–10 weeks of the published deadline or, in the case of completion/post-production funding, within 4–6 weeks of submission. If an application is unsuccessful, the reasons will be conveyed to the applicant.

Terms of funding

If a project is approved, the applicant will receive a Letter of Approval detailing the level and timeframe of Screen Australia's approved contribution as well as any applicable conditions.

Where Screen Australia's total contribution (including any development funds) is \$500,000 or under, funding will be in the form of a grant. Screen Australia does not take a share of receipts from projects funded under a grant, which means the funds do not have to be repaid other than in circumstances set out in the Terms of Trade. The amount of the Screen Australia grant will be agreed upfront and not varied, other than in exceptional circumstances. Screen Australia does not require a share of copyright in productions that it funds under a grant.

Where Screen Australia's total contribution (including any development funds) is more than \$500,000, funding will be in the form of recoupable equity investment, with copyright and recoupment terms in accordance with the agency's [Terms of Trade](#).

Feature film production: Letter of Interest

A Letter of Interest is an indication to the producer and the marketplace that Screen Australia recognises the project's creative and/or commercial potential. This is not a commitment for investment but it is an indication of the possibility of Screen Australia investing in the project at a later stage when the project will be competitively assessed against the published criteria.

An application for [production funding](#) (see page 2) can then be submitted once the rest of the finance is in place.

IMPORTANT: A Letter of Interest is neither a prerequisite for an application for production funding, nor a commitment from Screen Australia to invest in a project.

Documentary projects, including theatrical or feature-length documentaries, are not eligible under this program. Refer to our [Documentary programs](#).

Who can apply?

Projects must be feature-length and intended for theatrical release.

Producers can apply for a Letter of Interest when:

- their screenplay is at an advanced stage of development (for example, ready to cast but still one draft away from shooting); and
- they have a letter of interest from an appropriate domestic distributor relevant to the project.

There is no requirement for any other marketplace attachment at this stage.

A project cannot normally be submitted for a Letter of Interest concurrently with an application for Screen Australia development funding. Contact an Investment Manager to discuss further.

Projects which have been unsuccessful twice for a Letter of Interest:

- are ineligible to apply a third time for a Letter of Interest unless the applicant is able to demonstrate exceptional circumstances.
- can apply for production funding if and when finance is in place; however, if the production funding application is declined, the project is ineligible to apply again.

Applicants and projects must also meet the general eligibility requirements set out in Screen Australia's [Terms of Trade](#).

What is the assessment process?

Complete and eligible Letter of Interest applications will be reviewed by Screen Australia executives and/or industry specialists as required.

Applicants may be interviewed as part of the assessment process.

Final decisions will be made by the CEO, in consultation with the Head of Production, regardless of the amount likely to be involved.

Assessment criteria

Screen Australia will take the following equally weighted criteria into account when considering applications for Letters of Interest:

- **Script:** The readiness of the script for financing in relation to: (i) the quality of the writing and cinematic storytelling; (ii) the strength and distinctiveness of the idea within its own genre; (iii) the reader's emotional engagement with the story and characters.
- **Creative team:** The producer, director and writer according to: (i) skills, experience and achievements which demonstrate either a successful track record or an exciting new talent; (ii) their demonstrated creative, technical and managerial capacity to deliver the project; (iii) the director's vision for the film.
- **Project:** The project's potential in relation to: (i) the team's demonstrated understanding of the film's intended audience; (ii) the quality of any cast attached or proposed; (iii) the potential for the film to be selected for an A-list festival; (iv) the potential for the film to appeal to a significant audience in Australia and internationally.
- **Viability:** The project's potential to be realised with reference to (i) its proposed budget size relative to its intentions; (ii) its proposed budget size relative to its potential audience; (iii) the track record of the distributor and its suitability to the project.

Other factors including diversity of slate and the gender and cultural diversity of the team may also influence Screen Australia's decision.

If an application for a Letter of Interest is unsuccessful, the applicant can:

- apply one more time for a Letter of Interest after three months have elapsed from the date of the decision, or
- apply for production funding at any time, if and when finance has been confirmed applicants should note, however, that unless the project has changed substantially and the reasons the LOI application was unsuccessful have been addressed, it's unlikely that Screen Australia will decide to invest).

Applicants will be advised of the outcome as soon as possible after the relevant decision meetings, generally within 6–10 weeks of the published deadline. If an application is unsuccessful, the reasons will be conveyed to the applicant.

Terms of funding

If a decision is made to issue a Letter of Interest, the date of the letter will be the date the application was approved.

Screen Australia Letters of Interest expire 12 months from the date of the letter. Applicants with Letters of Interest may be granted extensions at the discretion of the Head of Production.

Information for applicants

Contact an Investment Manager

Before applying to Screen Australia it is essential that you contact an Investment Manager to discuss your project. Call the Program Operations team on 1800 507 901 if you are unsure who to speak with.

We also encourage you to contact the Program Operations team before you submit your application to discuss any eligibility questions and ensure all the required supporting material is in place. This will mean we can process your application as smoothly and efficiently as possible. Call them on 1800 507 901.

Indigenous content or participation

Specific requirements apply where there is Indigenous community participation or content involved in a project. Please refer to [Indigenous Content](#).

Application materials

Applications must be made via the online application portal, and include all supporting materials. Applications for feature film production funding must be submitted by 11pm AEDT/AEST on the deadline date. Applications for feature film completion/post-production funding can be submitted at any time. If you have any questions regarding the submission of your materials, please contact the Program Operations team.

Rights and Terms of Trade

The applicant must either hold the rights or have an appropriate option to acquire the rights necessary to produce, complete, deliver and exploit the project. If the project is based on a real-life event or person, Screen Australia may request an additional legal opinion letter addressing any defamation or contempt of court issues.

Please read Screen Australia's [Terms of Trade](#). They include detailed information on additional requirements such as Screen Australia and NFSA delivery items and recoupment expectations.

Budget requirements

Screen Australia, in consultation with the completion guarantor (where applicable), will examine a producer's schedule and budget to ensure that the production values in the script can be realised. Screen Australia will require access to the quotes and other underlying documentation that support the line item amounts in the budget.

Budgets can be presented in the [A-Z Budget format](#) or in Movie Magic or EP format.

The cost of production, both above and below the line, should reflect the level of recoupment that the project can reasonably expect to earn.

Fees should comply with industry standards. They will be considered in the context of the budget and track record of the personnel. Screen Australia reserves the right to look at the whole package, including budget and target audience, in determining whether individual above-the-line fees, including cast fees, are appropriate.

Screen Australia will have approval over any variation in budget items that are exclusions under the completion guarantee (eg music, cast breakage) and all above-the-line items. The budget should include the following:

- Production overheads are capped at 5 per cent of the total of the company's total film expenditure on the project, or A\$500,000, whichever is the lesser amount.
 - Development costs breakdown including: any development funds; producer fellowships from state agencies, Screen Australia or its predecessor agencies; and state agency administration fees (if applicable).
 - Publicity spend during production.
 - Marketing and promotional materials comprising the **'dedicated marketing budget' (DMB)**. This includes (but is not limited to) budgeted amounts for:
 - stills photography
 - trailer
 - poster key art
 - EPK/DVD materials
 - cross-platform elements
 - the cost of a test screening.
 - Foreign currency hedging mechanism to allow for currency fluctuations where applicable.
 - The cost of captioning and audio description for theatrical release and DVD, as per Screen Australia's [Terms of Trade](#).
 - Allowance for Screen Australia and NFSA delivery items.
 - Sales company deliverables and other delivery items as required.
- It is recommended that producers include an appropriate ProRes file in their deliverables, to facilitate online exploitation by rights holders.

Please note: Screen Australia no longer charges any legal or administrative fees for production funding.

Industry specialists

Screen Australia uses external industry specialists to bring additional perspectives to its feature film decision-making processes. External industry specialists may be engaged to participate in the consideration of production funding applications as well as to advise on projects after funding is confirmed. [More information](#).

Foreign actors

Screen Australia encourages producers to engage with the Foreign Actor Certification Scheme ([FACS](#)) process early if they intend to bring foreign actors into Australia for any production. Separate to any requirement from Screen Australia, a production must meet the requirements of this scheme, the details of which can be found at [Department of Communications and the Arts](#).

Update log

27 May 2016

- Addition of Gender Matters Attachment scheme for 16/17

1 December 2015

- Further clarified the definition of Letter of Interest
- Gender and cultural diversity of the team considered in addition to the assessment criteria

6 November 2015

- Applications for feature film production, letter of interest and completion/post-production funding are now available through the online application portal.

25 August 2015

- Feature film production:
 - 'What funding is available?' updated for clarity.
 - Completion/post-production funding: Applications can now be submitted at any time with a turnaround time of 4–6 weeks.
 - 'Who can apply?' updated for clarity.
- Feature film production: Letter of Interest:
 - 'Who can apply?' updated for clarity.
- Information for applicants:
 - Rights information added to 'Rights and Terms of Trade'.

10 February 2015

- Feature film production:
 - Removed theatrical documentary funding from guidelines. Added 'Documentary projects, including theatrical or feature-length documentaries, are not eligible under this program. Refer to our Documentary programs.'
- Feature film production, Available funding:
 - Added 'Producer Offset and Co-production provisional approvals must not be more than two years old (from the date of your application for production investment). If approvals were granted over two years ago, a re-assessment by the Producer Offset and Co-production Unit will therefore be required before Screen Australia can accept the application.'
- Feature film production, Assessment process:
 - Revised the criteria to include completion funding criteria.
- Letter of Interest:
 - Added 'Documentary projects, including theatrical or feature-length documentaries, are not eligible under this program. Refer to our Documentary programs.'

- Information for applicants, Budget requirements:
Removed 'company' and 'normally' and revised to read 'Production overheads are capped at 5 per cent of the total of the company's total film expenditure on the project, or A\$500,000, whichever is the lesser amount.'
– Removed general development investment (GDI).

24 July 2014

- Level of funding:
 - 'Screen Australia will not invest more than \$2 million in a single theatrical film unless there are exceptional circumstances.' Changed from \$2.5 million.
 - Introduced \$250,000 cap on completion funding.
- Production funding assessment process and criteria revised.
- Terms for production funding revised to specify that where Screen Australia's contribution is \$500,000 or less, funding will be provided as a grant, and that Screen Australia will not require a copyright share where funding is provided as a grant.
- Letter of interest assessment process and criteria revised.
- Information for applicants – added 'contact an investment manager' section.

5 February 2013

- Under 'Production investment applications – Consideration process', final bullet point 'Market strength' revised.