



Australian Government



FEATURE FILM PRODUCTION GUIDELINES

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Updated 7 September 2020

These guidelines apply to all applications for feature film production funding 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. The guidelines should be read in conjunction with Screen Australia’s [Terms of Trade](#).

Contents

Feature film production	2
What funding is available?	2
Who can apply?.....	3
What is the process?.....	4
Indigenous content or participation	5
Terms of funding.....	5
Budget requirements.....	6
Rights and Terms of Trade	7

Feature film production

Contact an Investment Manager: Before applying for feature production it is essential that you contact a Screen Australia Investment Manager to discuss your project. Email dramaproduction@screenaustralia.gov.au 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** or email to dramaproduction@screenaustralia.gov.au.

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 Enhancement 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.

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 CEO's or the Board's discretion in accordance with their delegation.

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. You will need to provide the confirmation email as proof that the application has been lodged, a copy of the completed application for the provisional co-production approval AND the Producer Offset Provisional Certificate.

For Producer Offset: You do not need to have lodged an application for your Producer Offset Provisional Certificate at the time of applying unless specifically requested by your Investment Manager. In most cases producers will be able to wait to see whether or not their project has been successful for funding before applying for a certificate, saving time and application fees. However, if you are approved for funding you will need to lodge your application and receive your certification prior to contract execution.

[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.

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 innovative marketplace components, and Pathway to Audience Strategies. In the current circumstances of COVID-19, we may consider the same flexibility for higher budget features. Please check with an Investment Manager before applying.

Enhancement Fund: For projects that are at rough cut stage (or later) which have turned out well, and would greatly benefit with certain enhancements i.e. reshooting a scene, licensing key music, additional VFX, etc. This fund is not for films that were simply under budgeted from the start or went over budget.

Applications for Enhancement funding can be submitted at any time using the online application portal available via the website. Enhancement funding is capped at \$250,000. Enhancement applications must meet the same eligibility requirements as applications for production funding.

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 (ROW) 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. You must be able to supply all relevant letters of offer, deal memos and agreements for every line in the finance plan. See [submission checklist](#) for further information.

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.

Applications for retrospective funding (for monies already spent) are not eligible.

Applicants and projects must also meet the general eligibility requirements set out in Screen Australia's [Terms of Trade](#). With the exception of official Co-Productions, it is Screen Australia's expectation that applications for direct funding will demonstrate that the project is written and directed by Australian citizens or residents.

Terms of finance from sales, distribution and licensing

In relation to ROW, all financial contributions to the budget that are made directly from sales, pre-sales, distribution and licensing, including distribution guarantees, advances, minimum guarantees and license fees, as well as cash flow loans for these contributions must be recovered from ROW receipts; they cannot be recovered from ANZ receipts.

Where such contributions are in relation to world-wide rights for a project, a portion of the amount, to be agreed by Screen Australia, is to be allocated to the ANZ territory. The remaining ROW portion of the contribution, and related expenses, cannot be recovered from ANZ receipts.

Advances against ANZ and ROW must be clearly split and expenses should be treated separately.

Screen Australia does not allow these contributions to be treated as equity i.e. this type of contribution does not entitle the contributor to a share of the equity investors' receipts or a share of copyright in the project.

What is the process?

Applications can be made via the [application portal](#), and must include all supporting materials at time of submission. A [submission checklist](#) is downloadable on our website.

- Applications for Feature Film Production funding requesting up to \$1 million can be submitted at any time*.
- Applications for Feature Film Production requesting more than \$1 million in funding will be referred to the Screen Australia Board for a final decision if approval is to be recommended. Please check the posted [deadline dates](#), and note that if your complete application is not submitted by the relevant deadline, we cannot guarantee turnaround of your project in time for the next Board Meeting.
- Applications for feature film Enhancement funding can be submitted at any time.

*Screen Australia reserves the right to refer any project with potentially contentious or sensitive subject matter to the Board for decision, regardless of the funding request amount.

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

Applicants may be interviewed as part of the assessment process. We expect that the key creatives (writer, director and producer) will be available to attend an interview on the specified date and time and appreciate the team's flexibility to make this work.

- 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.
- Decisions for recommended projects requesting \$300,000 or less may be made by the Head of Content.

Assessment Criteria

Screen Australia will take the following equally weighted criteria into account when considering applications for Feature Film Production:

- **Story Documents or rough cut (for the Enhancement Fund):** the quality of the writing (or rough cut) and the strengths and distinctiveness of the project
- **Audience:** the team's understanding of the project's intended audience; the strength of the stated pathway to such audience; and, the potential for the project to appeal to a significant audience in Australia and internationally.
- **Creative team:** the producer, writers, other key creatives and any attached or proposed key crew/cast and directors according to their skills, relevant experience and achievements which demonstrate either a successful track record, or an exciting new talent; the likelihood that the project can be successfully realized (or enhanced if an application to the Enhancement Fund) at its stated budget, and (if not an application for the Enhancement Fund) its readiness to move into production
- **Market strength/Finance:** The project's strengths according to its market attachments/interest; finance raised/offered and the proposed recoupment position for Screen Australia and other equity investors.

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

Applicants for Feature Film Production will be advised of the outcome within 8-10 weeks of receipt of eligible application, or as soon as possible after the relevant Board meeting.

Applicants for Enhancement funding will be advised within 4-6 weeks of receipt of eligible application.

If an application is unsuccessful, the reasons will be conveyed to the applicant.

Indigenous content or participation

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

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](#).

Inclusive Attachment Scheme

As a condition of Screen Australia production support an above or below the line attachment must be allocated to each project: for example an attachment to a Director, Producer, DOP, Editor or Composer. The attachment should reflect the theme or content of the project: for example Indigenous, disability, gender, LGBTI+, culturally or linguistically diverse. Or the attachment should be targeted at providing experience to emerging practitioners. The costs must be included within your production budget and potential attachments should be discussed with your Investment Manager.

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 (e.g. 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.

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.

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.

COVID Costs

As used here “COVID Costs” means the additional (reasonable/allowed) costs of complying with your COVID-19 Safety Plan

If you seeking support from Screen Australia to help meet your project’s COVID Costs, you should supply the following documents with your submission:

- your project’s COVID-19 Safety Plan and Risk assessment
- separate COVID-19 Budget
- Finance plan with a separate section for COVID Costs requested by you from us, and additional lines showing other parties contributions towards the COVID Costs, and
- evidence of your realistic intent and ability to be in physical production within 6 months from the date of your application.

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. See [Terms of Trade](#).

You must list all of your Chain of Title documents in the application and a Solicitor’s Opinion letter will be required if you are successful.

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.

Update Log

September 2020

- Feature Film Production open any time as of 14 September 2020.
- COVID-19 costs
- Applications for retrospective funding are not eligible
- Head of Content financial delegation raised from \$200,000 to \$300,000.

December 2019

- Completion/post production funding renamed as Enhancement Fund
- Application deadline time changed from 11pm to 5pm of published date