



Australian Government



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# FEATURE FILM PRODUCTION GUIDELINES

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Updated 19 April 2024

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](#).

## Contact an Investment Manager

Before applying to Screen Australia for production funding, it is essential that you contact a Screen Australia Investment Manager to discuss your project. Email [dramaproduction@screenaustralia.gov.au](mailto: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.

Program Operations: 1800 507 901

## Overview

The following guidelines apply to theatrical projects qualifying for the 40 per cent Producer Offset (Feature Films).

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 feature film production funding, a project must demonstrate that all other finance is in place at time of application.

## Aims

Screen Australia's enabling legislation, the Screen Australia Act 2008 (Cth), requires the agency to support the "development, production, promotion and distribution of Australian programs." In doing so, it is to:

- "ensure the development of a diverse range of Australian programs that deal with matters of national interest or importance to Australians, or that illustrate or interpret aspects of Australia or the life and activities of Australian people"

Accordingly, 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.

## What funding is available?

- Screen Australia will only contribute up to 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.
- **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. Please check with an Investment Manager before applying.
- Funding for retrospective costs (for monies already spent) will not be provided.

## Feature Enhancement:

For projects at rough cut stage or later.

- Applications for Feature Enhancement must demonstrate exceptional distribution, festival and/or audience opportunities. This program aims to support the team, maximise the opportunity and elevate the film as it moves from post production into release.
- Feature Enhancement is only open to projects that are the director's first or second feature film and is not designed for projects that were underbudgeted or went over budget.
- Funding is only to cover future costs, not costs already incurred, and applications will be ineligible if cast and crew have not been paid award minimums. Eligible costs may include: additional post production, technical delivery, and creation of high-quality marketing assets.
- Feature Enhancement funding is capped at \$250,000.
- Feature Enhancement applications must meet the same eligibility requirements as the Feature Film Production fund.

## Who can apply?

- This program is open to Australian companies only.
- Applicant companies must also meet the general eligibility requirements set out in Screen Australia's [Terms of Trade](#), including the requirement to either hold the rights or have an appropriate option to acquire the rights necessary to produce, complete, deliver and exploit the project.

## What projects are eligible?

- Projects must be feature-length and intended for theatrical release.
- The producer must demonstrate, subject to the approval of Screen Australia, 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.

\*Screen Australia will consider waiving the above requirement for an offer from a ROW sales agent on a case-by-case basis for applications with a total Screen Australia contribution (including any development funding) of \$500,000 or less, and a total production budget of \$5,000,000 or less. This would allow execution-dependent projects to go into production prior to securing a formal offer from the international marketplace. For such a waiver to be considered, producers will be required to provide Screen Australia with at least one letter of interest (LOI) from a sales agent that speaks to the appeal of the project, how they would market it, and what their base terms of commission will be. If a waiver is

agreed to, Screen Australia would not require estimates to be provided. Projects must contact an Investment Manager to discuss a waiver before applying.

- Projects must also meet the general eligibility requirements set out in Screen Australia's [Terms of Trade](#), including that they must have significant Australian content or be official co-productions.
- The program is only open for films with budgets of A\$20 million or less. Higher budget projects should attract enough other financing without requiring funding from Screen Australia's limited direct funding programs.
- 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.
- Marketplace attachments are required, but they are not the only elements taken into consideration when Screen Australia makes funding decisions.
- A project cannot 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.
- 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 permanent residents. Please notify your Investment Manager before applying if this is not the case.
- **First Nations content or participation:** Specific requirements apply where there is [Indigenous community participation or content](#) involved in a project.
- Preference will be given to projects that, at the time of application, are no further than six months from the start of pre-production.

## **Rights and 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.

## **Marketplace Attachments**

**The proposed terms of Marketplace agreements will be considered by Screen Australia as part of the assessment process based on factors including overall commerciality and**

**compliance with relevant industry agreements. Marketplace Agreements are subject to Screen Australia's approval where funding is provided via a recoupable investment.**

- 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.

## **How to apply and what materials to provide**

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.

In addition to the Feature Film Production submission materials, applications for **Feature Enhancement** will also include a rough cut screening link, a recent cost report and an enhancement strategy outlining the marketplace, festival or audience opportunity. This will detail the P+A commitment from an appropriate ANZ distributor, revenue projections and a thorough marketing plan.

**Applications for Feature Film Production must be submitted by 5pm AEDT/AEST on the published deadline date.**

**Applications for Feature Enhancement funding can be submitted at any time.**

## **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, and can request, access to any quotes or other underlying documentation to 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.

Budgets must include:

- Allowance for a contingency of at least 10 per cent of the total below the line costs.
- Production overheads capped at 5 per cent of the total film expenditure on the project, or \$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).
- Allowance for a Completion Guarantor.
- Foreign currency hedging mechanism to allow for currency fluctuations where applicable.
- The cost of captioning and audio description as per Screen Australia's Terms of Trade.
- Sales company deliverables and other delivery items as required, including Screen Australia and NFSA deliverables

#### Dedicated Marketing Budget (DMB)

The production must support the early development and creation of high-quality marketing assets with appropriately budgeted amounts for professional Unit Publicity, Stills Photography, Special Shoots, Key Art and Static Creative, Digital and Social Media assets, EPK, Trailer/s, Audience Test Screenings and Fringes. For high ask and/or higher budget productions the engagement of a Marketing Producer or Strategy Consultant is highly desirable.

#### Crew Placement Scheme

As a condition of Screen Australia production, below-the-line crew placement opportunities must be allocated to each project for emerging to mid-career practitioners to gain experience in mid, senior crew and leadership roles.

- Productions that receive between \$500,000 and \$1 million in production funding from Screen Australia must budget for and engage one emerging or mid-career crew Placee in consultation with Screen Australia. Productions that receive less than \$500,000 in production funding but have a significant production budget are strongly encouraged to include a crew placement as part of their project.
- Productions that receive more than \$1 million in production funding from Screen Australia must budget for and engage two emerging or mid-career crew Placees in consultation with Screen Australia.
- Each placement opportunity should provide genuine career advancement in a mid, senior crew or below-the-line leadership/HOD role. Productions should consider placements where skills gaps have been identified: for example, 1st Assistant Director, Editor, Line Producer, Location Manager, Post Production Supervisor, Production Accountant, Production Manager or Sound Designer, however, the Placements are not limited to these areas and can be for other roles where there will be benefit to the production.
- Depending on the role, the length of each crew placement opportunity must be for a period of time that provides a genuine career advancement opportunity (with the minimum being 6 weeks).
- Productions should consider diversity, equity and inclusion, with placement opportunities being provided in a manner that supports the career development of workers from diverse communities reflecting contemporary Australian life.

- If the production receives production funding from Screen Australia, producers will be asked to provide a training plan that outlines the parameters of the placement and details of the Placee for the approval of the Investment Manager and the Industry Development Manager, before the commencement of the placement. Acquittal reports from the Placee(s) and production company will be required and will form part of the production's delivery materials to Screen Australia.
- The costs for the Placee must be included within your production budget. Potential roles for the placements can be discussed with your Investment Manager or Screen Australia's [Industry Development Unit](#).

For more information about the requirements of the Crew Placement Scheme, [click on these FAQs](#).

## Official co-productions & the Producer Offset

Projects approved as **official co-productions** are eligible for, but not automatically guaranteed, direct Screen Australia support.

**IMPORTANT:** 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.

## 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.

## What is the assessment process?

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

Applicants may be invited to a meeting to talk about their project as part of the assessment process. We expect that the key creatives (writer, director and producer) will be available to attend an meeting 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.
- 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 Chief Operating Officer.

\*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.

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.

## Assessment Criteria

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

- **Story Documents** the quality of the writing 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 realised at its stated budget, and its readiness to move into production.
- **Marketplace/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.
- **Diversity, Equity and Inclusion:** the extent to which the project is likely to effectively and properly increase and amplify inclusivity, diversity and/or gender equity both in front of, and behind the camera.

Other factors, including availability of funds, previous funding may also influence Screen Australia's funding decisions.

Preference will be given to projects based on intellectual property created by Australians.

## Decision and notification

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 Feature Enhancement 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.

## What is the contracting process?

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.

To help streamline the contracting process, Screen Australia has developed core conditions for its Production Investment Agreement (PIA) and Production Grant Agreement (PGA). The complete agreement will comprise the core conditions together with a series of schedules.

How it works:

- The core conditions in place at the time a project is approved for funding will apply.
- The goal is to keep the core conditions unchanged, with any exemptions addressed in the Special Conditions Schedule.
- Once all schedules are agreed to, the schedules and the core conditions will be merged into one fully executed pdf with approved budget and drawdown schedule (if applicable).

Please contact Screen Australia's legal team to obtain a copy of the [core conditions](#) for agreements (contact details available on our website [here](#)).

## Terms of funding

Where Screen Australia's total contribution (including any development funds) is \$500,000 or under, funding will generally 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 terms in accordance with the agency's [Terms of Trade](#).

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

## Change Log

April 2024

- Updated the Enhancement Fund
- Replaced the Inclusive Attachment Scheme with the Crew Placement Scheme.
- Changes to ROW Sales, Budget Requirements and Marketing Budget
- Re-ordered sections for clarity

- Removed extraneous information

#### September 2023

- Added that on a case-by-case basis, for execution-dependent projects with an application for \$500,000 or less, Screen Australia will consider waiving the requirement for an offer from a ROW sales agent.
- Removed references to Letters of Interest from Screen Australia.
- Clarified that preference is to be given to projects based on intellectual property created by Australians.
- Added Screen Australia's requirement that other than in exceptional circumstances, projects must, at the time of application, be no further than six months from the start of pre-production.
- Removed section on COVID Costs.

#### July 2023

- All feature applications will now be submitted in rounds. The option for features under \$1M funding applying any time has been removed.

#### February 2022

- Added assessment criteria addressing equity, diversity and inclusivity.

#### December 2021

- COVID Costs now included in budget rather than applying for separately

#### May 2021:

- program not open for films with budgets of A\$20 or more

#### 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