

Film Development Fund
Sponsorship for local Films nominated to participate
in Film Festivals or Film Financing Forums Overseas

(Guidelines on application)

I. Objective

To encourage the film industry to participate in international competitions, exhibitions or film financing forums so as to promote Hong Kong films and further expand overseas markets.

II. Eligibility and Vetting Criteria

1. The film should be a commercial film (fictional feature film) in 35 mm or 70 mm format, or in digital format suitable for screening in commercial digital cinemas, with not less than 60 minutes in duration. Other film genres such as documentaries and short films will not be sponsored.
2. Only the company that owns the copyright of a film nominated to compete for awards or invited to participate in the three categories of film festivals specified in this scheme (as detailed at III) or participate in film financing forums may apply for sponsorship from the Film Development Fund (FDF). There is no restriction to the number of films applying for the sponsorship to participate in the film festivals or film financing forums.
3. The film participating in the film festivals or film financing forums should either be produced by a film company incorporated in Hong Kong, or jointly produced by a film company / companies incorporated in Hong Kong and a film company / companies in areas other than Hong Kong. Any film receiving sponsorship under this scheme should be promoted as a Hong Kong film.
4. The crew for the film participating in the film festival includes the following 5 categories: i) Director; ii) Screenwriter; iii) Leading Actor; iv) Leading Actress and v) Producer. A category will be regarded as “local” if at least one Hong Kong permanent resident is employed in that category. To comply with the eligibility criteria of the scheme, the film must have at least 3 “local” categories.

5. The maximum sponsorship for the films participating in each category of competitions, film festivals or film financing forums is as follows:

	Maximum sponsorship of Hong Kong film	Maximum sponsorship of co-production film*
Category A	\$600,000 (Group A) \$300,000 (Group B)	\$300,000 (Group A) \$150,000 (Group B)
Category B	\$100,000 (Competition Section) \$80,000 (Non-competition Section)	\$50,000 (Competition Section) \$40,000 (Non-competition Section)
Category C	\$40,000	\$20,000

* A “co-production film” means one that is jointly produced by at least one film company that is incorporated in Hong Kong and one or more film companies in areas other than Hong Kong.

III. Categories of Film Festivals and Film Financing Forums to which the Sponsorship Scheme applies

The company that owns the copyright of the films nominated to compete for awards or invited to participate in the following three categories of film festivals or film financing forums may apply for sponsorship from the FDF. Films participating in film markets or trade shows will not be sponsored.

1. Category A Film Festivals include 5 designated major film festivals (Competition Section):

Group A

- i. Academy Awards – Best Foreign Language Film of the year

Group B

- ii. Academy Awards – Other Awards
- iii. Festival de Cannes
- iv. Berlin International Film Festival
- v. Venice International Film Festival

2. Category B Film Festivals include 16 designated film festivals:

- i. Moscow International Film Festival (Competition Section)
- ii. Shanghai International Film Festival (Competition Section)
- iii. Tokyo International Film Festival (Competition Section)
- iv. Festival de Cannes (Non-competition Section)
- v. Berlin International Film Festival (Non-competition Section)
- vi. Venice International Film Festival (Non-competition Section)
- vii. Toronto International Film Festival
- viii. Vancouver International Film Festival
- ix. New York Film Festival
- x. San Francisco International Film Festival
- xi. Locarno International Film Festival
- xii. International Film Festival Rotterdam
- xiii. The Times BFI London Film Festival
- xiv. Melbourne International Film Festival
- xv. Pusan International Film Festival
- xvi. Asia Pacific Film Festival

3. Category C Film Festivals and Film Financing Forums:

This category includes international film festivals other than those under Categories A and B. It also includes the CineMart of the International Film Festival Rotterdam, Pushan Promotion Plan of Pushan International Film Festival and the Hong Kong-Asia Film Financing Forum. Other film markets or trade shows are not included.

IV. Conditions and Scope of Sponsorship

Category A Film Festivals

(A) Conditions for sponsorship

1. The sponsored company should donate one film print (film copy in high definition digital format is acceptable if the participating film is not submitted in the format of film print) in good condition to the Hong Kong Film Archive within 18 months after being granted the sponsorship;
2. Each nominated film will only be sponsored to participate in one Category A film festival;
3. A film sponsored to participate in a Category A film festival will not be eligible to apply for funds under Category B or C film festivals; and
4. If a film has been sponsored by the FDF to participate in a Category B or C film festival before being granted sponsorship to participate in a Category A film festival, the total amount previously granted under Category B or C will be deducted from the amount to be granted under Category A.

(B) Scope of sponsorship

1. The actual amount to be granted is based on the actual expenditure incurred;
2. return air tickets, meals and boarding for not more than 4 persons that may include producer, director, actors or major members of the production team such as screenwriter;
3. print expenses, subtitling cost, and freight cost of the print;
4. Publicity expenses such as the production cost and freight cost of posters and other publicity materials (including trailers);
5. other public relation expenses such as expenditure on reception during film festival and other promotional activities; and
6. audit expenses.

Category B Film Festivals

(A) Conditions for sponsorship

1. The sponsored company should donate one film print (film copy in high definition digital format is acceptable if the participating film is not submitted in the format of film print) in good condition to the Hong Kong Film Archive within 18 months after being granted the sponsorship;
2. Each nominated film will only be sponsored to participate in one Category B film festival;
3. A film sponsored to participate in a Category B film festival will not be eligible to apply for funds under Category C film festivals;
4. A film sponsored to participate in a Category B film festival is eligible to apply for sponsorship to participate in a Category A film festival; and
5. If a film has been sponsored by the FDF to participate in a Category C film festival before being granted sponsorship to participate in a Category B film festival, the total amount previously granted under Category C will be deducted from the amount to be granted under Category B.

(B) Scope of sponsorship

1. The actual amount to be granted is based on the actual expenditure incurred;
2. return air tickets, meals and boarding for not more than two persons that may include producer, director, actors or major members of the production team such as screenwriter;
3. print expenses, subtitling cost, and freight cost of the print;
4. Publicity expenses such as the production cost and freight cost of posters and other publicity materials (including trailers);
5. other public relation expenses such as expenditure on reception during film festival and other promotional activities; and
6. audit expenses.

Category C Film Festivals & Film Financing Forums

(A) Conditions for sponsorship

(i) For film festivals

1. The sponsored company should donate one film print (film copy in high definition digital format is acceptable if the participating film is not submitted in the format of film print) in good condition to the Hong Kong Film Archive within 18 months after being granted the sponsorship;
2. Each nominated film may be sponsored to participate in not more than two Category C film festivals; and
3. A film sponsored to participate in a Category C film festival is eligible to apply for sponsorship to participate in a Category A or B film festival.

(ii) For film financing forums

1. The sponsored company should donate one film print (if not available, a film copy in high definition digital format can be submitted in its place) in good condition to the Hong Kong Film Archive within 18 months after the film project concerned is completed;
2. Each nominated film project may be sponsored to participate in not more than two film financing forums; and
3. A film project sponsored to participate in a film financing forum is eligible to apply for sponsorship to participate in a Category A, B or C film festival after the film project concerned is completed.

(B) Scope of sponsorship

(i) For film festivals

1. The actual amount to be granted is based on the actual expenditure incurred;
2. Print expenses, subtitling cost, and freight cost of the print;
3. Publicity expenses such as the production cost and freight cost of posters and other publicity materials (including trailers); and

4. Audit expenses.

(ii) For film financing forums

1. The actual amount to be granted is based on the actual expenditure incurred;
2. Publicity expenses such as the production cost and freight cost of posters and other publicity materials (including trailers); and
3. Audit expenses.

V. Other conditions for granting the sponsorship

The sponsored company has to comply with the following requirements-

1. to sign an undertaking;
2. to open a separate bank account for this project; and
3. to submit a completion report, including a statement of accounts audited by a certified accountant.

VI. Application date

The FDF is open for application throughout the year. However, submissions must be made within 1 month after the completion of the film festival or the film financing forum concerned.

VII. Application form

Application forms are available at Create Hong Kong (Secretariat of the Film Development Council). Each applicant is required to submit three copies of the completed application form. A separate form is required for each application.

Address: 40/F, Revenue Tower, 5 Gloucester Road, Hong Kong
Tel. No: (852) 2594 5765
Fax. No: (852) 2824 0595
Web site: <http://www.fdc.gov.hk>

Concerned Items in the Film Development Fund's Agreement

A. Procurement of Equipment, Services, etc.

The Company is required to exercise its utmost financial prudence in the procurement of the equipment, goods or services for the purpose of the Project and must, unless otherwise agreed in writing by the Government, adhere to the following procedures:

- (i) For every procurement of the equipment, goods or services whose aggregate value amounts to more than HK\$20,000 but below HK\$500,000, quotations of price from at least three suppliers or service providers must be obtained. The Company will enter into a procurement contract with the supplier or service provider submitting the lowest bid.
- (ii) For every procurement of the equipment, goods or services whose aggregate value amounts to HK\$500,000, open tendering for such procurement must be conducted.
- (iii) Every procurement of an aggregate value of HK\$5,000 or above has to be settled by crossed cheque, bank transfer or credit card payment. The Company is required to retain a photocopy of the cheque, pay-in slip or bank statement for a period of at least 2 years from the date of completion of the Project for subsequent checking by the Government.

B. Declaration of Interest

- (i) The Company is required to ensure that it, its directors and employees, and its sub-contractors, including their associates and associated persons, should not have any actual or potential financial or other interests or have any association or connection with any of the services, goods or equipment to be acquired or procured with the Funds by the Company unless the prior written approval of the Government has been obtained.
- (ii) If all or any facts which may reasonably be considered to give rise to a situation set out in B(i), the Company must notify the Government in writing immediately.
- (iii) The Company is required to ensure that its directors and employees, including their respective associates and associated persons and its permitted sub-contractors, will inform the Company of all facts which

may reasonably be considered to give rise to a situation in which the financial or other interests of such persons conflict or compete with the Company's obligations to the Government.

C. Submission of the Audited Account

- (i) For all Projects lasting less than one year, the Company is required to submit to the Government within 90 calendar days after completion of the Project a final Audited Account which covers the period from the Project's commencement until its completion.
- (ii) For all Projects lasting one year or more, the Company is required to submit to the Government within 90 calendar days after completion of the Project a final Audited Account which covers the period immediately preceding completion of the Project and that has not been covered by other Audited Account(s) submitted by the Company to the Government, and within 90 calendar days for every 12-month period from the Project's commencement until its completion, an interim Audited Account which covers each aforesaid 12-month period.