



Education and Culture DG

Amendment to the 2011 annual work programme for the MEDIA 2007 programme

(European Commission C(2011)2514 of 13 April 2011)

SUMMARY

Modifying Commission Decision C(2010)5756 of 24 August 2010 on the adoption of the 2011 annual work programme on grants and contracts for the MEDIA 2007 programme

This modification concerns five specific schemes, which could not be included in the original work programme, as the required technical specifications were not yet available at the time of its adoption in August 2010. These five schemes are the following: Sales agents (sub-heading 3.5); Digitisation of cinemas (sub-heading 3.6); Pilot Projects (sub-heading 5.1); Access to Finance (sub-heading 6.1) and On line Distribution (sub-heading 6.2).

For the sake of clarity the numbering system set out in the Programming table of the original Work Programme 2011, adopted by the Commission Decision C(2010)5756 of 24 August 2010, is maintained here.

RÉSUMÉ

Modification de la décision C(2010) 5756 de la Commission du 24 août 2010 concernant l'adoption du programme de travail annuel 2011 en matière de subventions et de marchés pour le programme MEDIA 2007

La modification projetée concerne cinq actions particulières qui n'ont pas pu être intégrées dans le programme de travail original, les spécifications techniques requises n'étant pas encore disponibles au moment de l'adoption du programme, en août 2010. Ces cinq actions sont les suivantes: mandataires de vente (sous-rubrique 3.5), numérisation de salles de cinéma (sous-rubrique 3.6), projets pilotes (sous-rubrique 5.1), accès au financement (sous-rubrique 6.1) et distribution en ligne (sous-rubrique 6.2).

Par souci de clarté, le système de numérotation utilisé dans le tableau de programmation du programme de travail 2011 original adopté par la décision C(2010) 5756 de la Commission du 24 août 2010 a été conservé dans le projet joint.

ZUSAMMENFASSUNG

Änderung des Beschlusses K(2010) 5756 der Kommission vom 24. August 2010 zur Annahme des Jahresarbeitsprogramms 2011 für Finanzhilfen und öffentliche Aufträge im Rahmen des Programms „MEDIA 2007“

Diese Änderung betrifft fünf bestimmte Projektarten, die nicht in das ursprüngliche Arbeitsprogramm aufgenommen werden konnten, da zum Zeitpunkt der Annahme im August 2010 die erforderlichen technischen Spezifikationen noch nicht vorlagen. Betroffen sind die folgenden fünf Projektarten: Filmhändler (Abschnitt 3.5), Digitalisierung der Kinos (Abschnitt 3.6), Pilotprojekte (Abschnitt 5.1), Zugang zu Finanzierung (Abschnitt 6.1) und Online-Vertrieb (Abschnitt 6.2).

Aus Gründen der Klarheit wird hier die Nummerierung aus der Programmplanungstabelle im ursprünglichen Arbeitsprogramm 2011 übernommen, das mit dem Beschluss K(2010) 5756 der Kommission vom 24. August 2010 angenommen wurde.

ANNEX

MEDIA 2007 Programme – Modification of the Work Programme for the financial year 2011 - [C(2010)5756 of 24 August 2010]
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Budget line: 15 04 66 01

Title: MEDIA 2007 – Support programme for the European audiovisual sector

Basic Act: Decision No 1718/2006/EC of the European Parliament and of the Council of 15 November 2006 concerning the implementation of a programme of support for the European audiovisual sector (MEDIA 2007), OJ L 327 of 24 November 2006.

This modification concerns five specific schemes (Sales Agents (sub-heading 3.5), Digitisation of Cinemas (sub-heading 3.6), Pilot Projects (sub-heading 5.1), Access to Finance (sub-heading 6.1), and On line Distribution (sub-heading 6.2)) omitted from the original 2011 Work Programme as the detailed specifications for these schemes were not yet available at the time of its adoption in August 2010.

For the sake of clarity the numbering system set out in the Programming table of the original Work Programme 2011 is maintained here.

The Calls for Proposals are open to applications from Member States of the European Union; countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein and Norway) and countries fulfilling the terms set out in Article 8 of Decision No 1718/2006/EC including Switzerland and Croatia.

Unless otherwise specified in the text below, for the purposes of the implementation of the MEDIA Programme "Calls for Proposals" the following countries are considered as countries with a low audiovisual capacity: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Greece, Hungary, Ireland, Iceland, Liechtenstein, Latvia, Lithuania, Luxembourg, Malta, Norway, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden and Switzerland and any other countries fulfilling the terms set out in Article 8 of Decision No 1718/2006/EC.

At this stage, it is not foreseen to sub-delegate any of the actions and sub-actions (Work Programme 2011) of MEDIA to other Directorates-General.

3. DISTRIBUTION

3.5. Sales Agents

Dates of publication	Budget 2011
March 2011	<i>See index 3.50 of the programming table</i>

The 2011 budget will also finance the projects selected under the call for proposals EACEA 6/2010 (OJ C 45 of 23/02/2010).

Objective of the Call for Proposals

The aim of this support scheme is to encourage and support the wider transnational distribution of recent European films by providing funds to sales agents, based upon their performance on the market, for further reinvestment in new non-national European films.

The scheme also aims to encourage the development of links between the production and distribution sectors thus improving the competitive position of non-national European films and the competitiveness of European companies.

The “Sales Agents” support scheme works in two phases:

1. The generation of a potential Fund, which will be calculated according to the performance of the company on the European market over a given period.
2. Reinvestment: the potential Fund thus generated by each company must be reinvested in:
 - Minimum guarantees or advances paid for the international sales rights on new European non-national films;
 - The promotion, marketing and advertising on the market of new non-national European films.

Potential Beneficiaries

This Call for Proposals is aimed at European companies whose activities contribute to the realisation of the above objectives, and in particular at sales agents companies.

Eligibility Criteria

Eligible Applicant

European company

Company owned, whether directly or by majority participation (i.e. majority of shares), by nationals of Member States of the European Union and of the European Economic Agreement (or nationals of the other European countries participating in the MEDIA Programme) and registered in one of these countries.

Sales Agent

Any European company acting as an intermediary agent for the producer, who specialises in the commercial exploitation of a film by marketing and licensing a film to distributors or other purchasers for foreign territories. The Sales Agent must be appointed by the Producer of the film by way of a written contract or agreement. A contract / agreement signed between a Sales Agent and a Producer

will be considered as an international sales contract / agreement only if it provides for the right of the Sales Agent to sell the film in **at least 10 countries** participating in the MEDIA Programme.

Cinema / Theatrical distribution

Any commercial activity designed to bring to the attention of a wide audience a film for the purpose of exploitation in cinema theatres. Such activity may include aspects of the technical publishing of an audio-visual work (dubbing and subtitling, striking of prints, circulation of prints, etc.) as well as marketing and promotional activities (production of trailers and publicity material, the purchase of advertising space, the organisation of promotional events etc.).

International sales of cinema films

Any commercial activity designed to promote and sell the exploitation rights to a cinematographic film on the marketplace, in particular to cinema distributors. This activity includes, inter alia:

- The negotiation and execution of contracts licensing the rights to exploit or exhibit the film.
- The promotion and advertising of the film in markets or festivals (screenings, advertising, promotional events).
- The design and dissemination towards potential buyers of promotional material for the film (EPK, stills, slides, “making-of” ...).
- The design and dissemination towards the press (trade press or other) and the potential audience of the film of promotional material and information (web site...).

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

- Member States of the European Union.
- Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).
- Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC including Switzerland and Croatia.

Eligible activities

European film

Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

- The work has been in majority produced by a producer or producers established in the countries participating in the MEDIA Programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

- The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA Programme. ‘Significant participation’ is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19

as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

+	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1	2
Actor 2	2
Actor 3	2
Artistic Director/Production Design	1
Director of Photography	1
Editor	1
Sound	1
Shooting location	1
Laboratory	1
Total	19

(+): Criteria EU nationality of the functions.

Recent films are those whose first copyright has been established during or after **2006**.

Films consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

National / Non-national European film

European films will be considered as national in that member state or territory participating in the MEDIA Programme whose citizens / residents have participated in the highest proportion in the making of the film, on the basis of the points table shown above. They will be considered as non-national in all the other territories.

Eligible proposals

Only proposals submitted using the official application form, completed in full, signed (original signatures required) and sent by the specified deadline, will be considered.

The application form must be accompanied by an official letter from the applicant organisation, and all the other documents referred to in the application form.

Applicants must submit a budget that is balanced in terms of expenditure and revenue and must comply with the ceiling for European Union co financing.

The Agency reserves the right to request additional information from the applicant.

Selection Criteria

Only proposals fulfilling the following conditions will be taken into consideration:

- The companies should prove their financial capacity to complete the proposed activities.
- The companies should prove their technical capacity to complete the proposed activities.

Award Criteria

Generation Stage

A potential Fund will be attributed to eligible European Sales Agents on the basis of their performance on the European markets (i.e. countries participating in the MEDIA Programme).

The support will take the form of a potential Fund (the "Fund") available to Sales Agents for further investments in recent non-national European films.

Within the limit of the budgetary resources available, the amount of potential fund available to each Sales Agent will be calculated on the following basis:

- A) Step 1. The applicant sales agent shall provide evidence of its activity as a sales agent for European cinematographic films. To this end, the sales agent shall prove that:
- It was, between 01/01/2006 and 31/12/2010 the appointed sales agent of at least 8 recent European films¹ (of which at least 1 non-national film), for which the agreement with the producer provided the right to sell the film in at least 10 countries participating to the MEDIA Programme; the mandate must be signed and take effect within the reference period;
 - And that, during the same period, for at least 4 of these films in at least 3 countries participating in the MEDIA Programme, outside the country of origin of the films there was a theatrical release as evidenced by distributor declarations to the MEDIA Programme Cinema Automatic scheme. In the event that the applicant Sales Agent wishes to provide direct proof of a theatrical release not reported to the Automatic scheme, this may be accepted provided that it is enclosed with the original application.

If this first step is successfully completed, the sales agent shall be entitled to a potential support of **EUR 20 000**.

- B) Step 2. If (and only if) the applicant sales agent has completed successfully the conditions set out for the first step, an additional potential fund may be available. This fund will be calculated according to the following principle:
- a) As a percentage of the total potential fund generated in the framework of the automatic support scheme for theatrical distribution (Call for proposals EACEA/03/2010) by the non-national films:
- 10 % for films from countries with a high production capacity (DE, ES, FR, IT, UK);
 - 15 % for films coming from countries "with a low production capacity" excluding the "new" member states defined below;
 - 20 % for films coming from new Member States of the European Union (Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia) and Croatia.
- b) Besides the films released to be eligible by distributor declarations to the MEDIA Programme Cinema Automatic Scheme, the sales agent will generate an additional potential fund of **EUR 1 500** per extra film declared in at least 3 countries participating in the MEDIA Programme, outside the country of origin of the films (as evidenced by distributor declarations to the MEDIA Programme Cinema Automatic scheme).

¹ I.e. European films whose first copyright has been established during or after 2006.

The amounts indicated above are provisional and may be subject to modification depending upon the budgetary resources available.

Reinvestment Stage

Sales agents can present reinvestment actions starting from the deadline of this Call.

These actions will be processed by the Agency following the assessment of the “generation” phase of the fund, and will be treated on the basis and within the limits of the potential Fund generated by the sales agent as calculated and notified by the Agency.

The potential Fund can be reinvested:

1. In the meeting of Minimum Sales Guarantees for new European **non-national** films.
2. In the meeting of promotion and marketing costs for new European **non-national** films.

The potential Fund can be reinvested in one or several films. Reinvestments in Module 1 (MG) and in Module 2 (promotion costs) for the same film are allowed.

Beneficiaries wishing to reinvest (part of) their potential Fund should send to the Agency a request for reinvestment. Reinvestment actions must be approved by the Agency. Reinvestment of the potential Fund into completed actions is impossible.

Reinvestment actions of the potential fund generated by this Call for proposals need to respect the following deadlines:

Earliest start date of the action: The international sales contract/agreement with the producer can be signed at the earliest from the deadline of this Call.

Deadline for presentation of the reinvestment action: The reinvestment applications must be submitted to the Agency within 6 months of the signature of the international sales contract/agreement with the producer and no later than 1st March 2013.

The potential fund which is not reinvested by the beneficiary by the 1st March 2013 will be lost.

Expected Results

Improved cross border distribution of non national European films and increased cooperation between distributors and Sales Agents.

Support for some 50 Sales/distribution actions in favour of recent non national European Films.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

3.6. Digitisation of Cinemas

Dates of publication	Budget 2011
March 2011	<i>See index 3.60 of the programming table</i>

Objective of the Call for Proposals

The aim of the digitisation support is to facilitate the digital transition of cinemas screening European films by subsidising part of the side costs incurred by cinema owners and operators for investment in digital equipment.

Potential Beneficiaries

European exhibitors based in countries participating in the MEDIA Programme.

Eligibility Criteria

Eligible applicant

A European independent theatre is a company, association or organisation with a single or several screens based in countries participating in the MEDIA Programme and which operates under the same company name. The screening of films should be the principal activity of the applicant or division of the applicant organisation.

Only those cinemas shall be eligible:

- That are first run cinemas (programming European films in first run, within a maximum period of twelve months after the first national release);
- That have been open to the public for a minimum of three years;
- That possess a ticketing and entry declaration system;
- That have at least one screen and 70 seats;
- That had at least 520 screenings per year for permanent cinema (i.e. cinemas in operation for a period of at least 6 months per year), 300 screenings per year for single screen theatres (30 screenings per month) and at least 30 screening per month for summer / open air cinemas (cinemas in operation for less than 6 months per year);
- That had at least 20,000 spectators in the previous twelve months.

Eligible countries

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

- Member States of the European Union.
- Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).
- Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC including Switzerland and Croatia.

Eligible action

Support to the side costs linked to the purchase of a digital projector meeting the content security requirements for Digital Cinema Initiative (DCI) compliance.

Eligible Film Programming

Current programming: screenings of minimum 50 % European films of which at least 30% should be European non-national screenings per year.

A film is considered as European if it complies with the following definition:

Any recent work of fiction (including animated films) or documentary, with a minimum duration of 60 minutes, complying with the following conditions:

- The work has been in majority produced by a producer or producers established in the countries participating in the MEDIA Programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is;

and

- The work must be produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA Programme. ‘Significant participation’ is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

+	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1	2
Actor 2	2
Actor 3	2
Artistic Director/Production Design	1
Director of Photography	1
Editor	1
Sound	1
Shooting location	1
Laboratory	1
Total	19

(+): Criteria EU nationality of the functions.

Films consisting of advertising, pornographic or racist material or advocating violence are not eligible for support.

Selection Criteria

Financial capacity

Applicants must declare on their honour that they have sufficient funds and financial capacity to execute the submitted project.

Technical capacity

The applicants should prove their operational capacity to complete the proposed activities. In order to permit an assessment of their operational capacity, organisations must submit, together with their applications:

- The programming schedule of the last two years, including the titles of films, number of screenings, admissions, receiving other support for each European film, etc.

Award Criteria

Criteria	Points
European dimension - The maximum will be awarded to cinemas that screen 50% or more of European Non National films.	65
Number of projectors requested:	
1 projector	<input type="checkbox"/>
2 projectors	<input type="checkbox"/>
3 projectors	<input type="checkbox"/>
Existence of national support mechanism	
No	<input type="checkbox"/>
Yes	<input type="checkbox"/>

Expected Results

- Improved access to Digital Distribution sites for the cross border distribution of non national European films.
- Support for the digitisation of some 100 screens per annum showing a high percentage of non national European films.

The MEDIA contribution (grant) will be awarded by way of grant decisions for beneficiaries from Member States of the European Union and agreements for an action for the other beneficiaries. The grant will take the form of a single payment of EUR 20.000 on the basis of the submission of an invoice showing that a projector has been bought.

5 TECHNOLOGICAL DEVELOPMENT

5.1. Pilot Projects

Dates of publication	Budget 2011
March 2011	<i>See index 5.10 of the programming table</i>

Objective of the Call for Proposals

The call for proposals will cover the following areas:

- Distribution: new ways of distributing and promoting European content via personalised services;
- Open Media Production Environment;
- “Audiovisual Junction Media Portal” to widen and improve the access and the exploitation of structured information of European audiovisual content across multiple databases.
- Areas covered by projects which have received funding under a previous MEDIA Programme Pilot Project Call for Proposals.

Potential Beneficiaries

This call for proposals is aimed at existing companies and organisations registered in one of the participating countries.

The operators will be companies and organisations from the audio-visual industry and from related industries, in particular: content providers (producers, directors, managers, sales agents, distributors), exhibitors, broadcasters, marketing experts, rights holders, equipment manufacturers, data transport companies, technology integrators, leasing companies, representative organisations from all sectors concerned (production, distribution, exhibition) and funding bodies.

Eligibility Criteria

Eligible Organisations

Existing companies and organisations registered in one of the eligible countries whose activities contribute to the realisation of the objectives of the call. These organisations must be owned directly or by majority participation (i.e. majority of shares), by nationals from eligible countries, and continues to be owned, whether directly or by majority participation, by nationals from these countries.

Eligible countries:

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

- Member States of the European Union.
- Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).
- Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC including Switzerland and Croatia.

Eligible Target Groups:

Companies and organisations from the audiovisual and related industries, in particular: content providers (producers, directors, managers, sales agents, distributors), exhibitors, broadcasters, marketing experts, rights holders, equipment manufacturers, data transport companies, technology integrators, leasing companies, representative organisations from all sectors concerned

(production, distribution, exhibition) and funding bodies.

Applicant companies have to give proof of their legal status to allow the creation of a Legal Entity Form.

Minimum European Dimension

Proposed projects will have to offer a minimum European dimension, which will be assessed on the basis of the following criteria: the origin of the content and the target audience. This should be quantified as at least four countries participating in the MEDIA Programme and at least three languages, as appropriate.

In the conception and/or implementation of the activities the contractor will co-operate with partners from other participating countries; these partners have to be identified and their role has to be described in the application. They will be qualified as co-beneficiaries for the implementation of the Agreement

Actions must co-operate with other selected actions where appropriate with a view to allow the exchange of know-how and of best practices.

Eligible Activities:

- Distribution: new ways of creating and distributing European audiovisual content via non linear services

New emerging digital technologies will make personalised and interactive access to audio-visual works increasingly possible. The purpose of the project is to encourage at a European level, innovative ways of creating and distributing European audiovisual works (fiction, creative documentaries, animation, multimedia, alternative content and archival material) via non linear services. Projects selected under this action line should demonstrate the implementation of an interactive multilingual service. Tools for content selection, filtering, pricing must be integrated in the distribution system and should be user-friendly.

- Open Media Production Environment

The emergence of virtual and automated integrated workflows based on open standards for the production and exchange of content has a far reaching effect for all areas of the audiovisual industry. New powerful tools in the production area using service oriented central resources and parallel workflows can be designed with high level of inter-operability.

The competitiveness of the European Industry depends on its ability to meet the multiplicity of needs by using new methods of creating and/or exploiting content. The specification of an open media collaborative production environment will improve the efficiency of both the production and the exploitation of content.

The action should specify the global architecture required, synergies and complementarities, as well as the extent of interoperability, inside an open design facilitating networked (co-) production at the local and/or European level (pre-production/creation; (co-) production; post production, exploitation).

The purpose of such an action is to encourage the production of content within an integrated semantic environment by production companies. Access to such content to all involved should be facilitated by the use of graphical user interfaces and intuitive navigation tools. This will assist the

collaborative process.

Actions to be selected under this action line should demonstrate their ability to handle semantic concepts and promote the use of open exchange standards and common practices at the European level.

In addition to Technological partners, they should involve a broad based grouping of stake holders such as Producers, Distributors and the main users involved in the production process.

The application should clearly specify the project milestones, deliverables, timetable and how the eventual result would be made available on the widest possible basis.

Suitable actions should have a clear and achievable focus in the creation and/or exploitation of content or within a specific production type.

- “Audiovisual Media Portal” to widen and improve the access and the exploitation of structured information of European audiovisual content across multiple databases.

Technologies based on semantic standards for search and retrieval can make access to audiovisual content easier and more effective. This is the case for junction portals based on semantic search technologies. Those technologies provide the means to unlock knowledge from closed environments, local data stores and proprietary formats so that resources can be accessed, shared, combined, updated, and stored through a specific web design user interface.

This offers significant opportunities for digital distribution, culture and entertainment, for intuitive and intelligent navigation tools because semantic technologies are able to handle multilingual search, user’s profile and interface multiple databases. This offers the ability to meet the multiplicity of needs and requirements of different users by exploitation of new methods of identifying, accessing and delivering information and audiovisual content.

The purpose of such a project is to encourage the creation of a dynamic and comprehensive portal for audiovisual content for professionals and/or users. Projects to be selected under this action line should demonstrate the ability to aggregate a large number of active participants in a coherent and structured manner. The project should have a clear goal with milestones, a defined target audience and present a business model setting out how the project will succeed and be financed. Participants shall include such entities as Broadcasters, Producers, Distributors, Sales Agents, Brokerage Agencies, Festivals and professional Databases etc.

The Project should aim to demonstrate multi-functionality for accessing networked databases and promote the use of open standards and common practices (harvesting protocols and agreements). The multi-functionality in this context may include such features as:

- Providing access and information for programme creation, distribution and broadcasting including new digital delivery contexts;
- Facilitating the collection of information on rights;
- Facilitating user access to the widest possible range of programming available.
- Links to areas covered by projects which have received funding under a previous MEDIA Pilot Project Call for Proposals.

Eligible proposals

Only those applications using the official forms, duly completed and with the original signatures required which are received within the specified period will be eligible.

Selection Criteria

Only the proposals fulfilling the following conditions will be given further consideration:

- Applicant companies must provide proof of their financial capacity to realise the project;
- Applicant companies must provide proof of their operational capacity to realise the project.

Award Criteria

Each submitted eligible project will be assessed in the light of the following equally weighted award criteria:

Award criteria pertaining to the content of the activity	40%
<ul style="list-style-type: none">• Relevance of the activity with respect to the Programme's objectives: the programme may support pilot projects to ensure that it adapts to market developments, with a particular emphasis on the introduction and utilisation of information and communication technologies.²	20%
<ul style="list-style-type: none">• European Dimension of the activity:<ul style="list-style-type: none">• The origin of the content <u>and</u> the target audience.• The extent of partners, from other participating countries, involved in the conception and/or implementation of the project. These partners have to be identified and their role has to be described in the application.	20%
Award criteria pertaining to the feasibility and coherence of the work plan. The quality and appropriate nature of the technology proposed will be taken into account in the scoring of each of the following criteria:	60%
<ul style="list-style-type: none">• Clarity of objectives and target groups	15%
<ul style="list-style-type: none">• Clarity and consistency of the general design of the project and likelihood of attaining the desired goals within the project's period	15%
<ul style="list-style-type: none">• Cost effectiveness of the project	10%
<ul style="list-style-type: none">• Experience of the participating organisations and quality of the management plan of the project	10%
<ul style="list-style-type: none">• Quality and effectiveness of the plan for dissemination of the results	10%

Expected Results

It is expected that the projects selected for funding will contribute to the development of business models which will be based on the use of new information and telecommunications technologies.

The MEDIA contribution (grant) will be awarded by way of agreements for an action.

² Decision No 1718/2006/EC Official Journal L327/12 of 24 November 2006.

6 NEW ACTIONS

6.1. Access to Finance

Dates of publication	Budget 2011
N/A	<i>See index 6.10 in the programming table</i>

The MEDIA Production Guarantee Fund is aimed at facilitating access to private sources of financing for SMEs and guaranteeing part of the loan granted by financial institutions to banks for film productions. The total amount concerned by this action is EUR 8 million over the period 2010-2013 of the MEDIA 2007 Programme, subject to the availability of appropriations on the budget line 15 04 66 01.

Following a Call for Expressions of Interest published on 2/1/2010 and by way of Decision C(2010)6344 final of 21.09.2010 the Commission delegated the task to set up and implement on its behalf the MEDIA Production Guarantee Fund to the following third party organisations:

- Institut pour le Financement du Cinéma et des Industries Culturelles (Paris, France);
- Sociedad de Garantia reciproca para el Sector Audiovisual (Madrid, Spain).

In 2011 the maximum contribution authorised is set at EUR 2 million: EUR 1 million for each of the selected third party organisations.

6.2 On line Distribution – (Video on Demand & Digital Cinema Distribution)

Dates of publication	Budget 2011
March 2011	<i>See index 6.20 in the programming table</i>

Objective of the Call for Proposals

The Video on Demand (VoD) and Digital Cinema Distribution (DCD) scheme constitutes one of the ways in which the MEDIA programme ensures that the latest technologies and trends are incorporated into the business practices of beneficiaries of the programme. Digital technologies have made European audiovisual works more easily accessible outside their country of origin thanks to new ways of transporting audiovisual content. The competitiveness of the audiovisual content industry in Europe will strongly depend on the use of these new technologies at the distribution stage.

The main objective of this scheme is to support the creation and exploitation of catalogues of European works to be distributed digitally across borders to a wider audience and/or to cinema exhibitors through advanced distribution services, integrating where necessary digital security systems in order to protect online content. This Call for Proposals encourages the European audiovisual industry to adapt to new developments in digital technology.

The Digital & On Line environment is a powerful but unforgiving environment. Competition for attention is severe and with hours of content being added every second, careful planning and execution is required to bring European content to the attention of the largest possible audience. Applicants will have to demonstrate they have understood the medium clearly and present a coherent catalogue, business plan and editorial strategy. They must have a well developed, appropriate and targeted marketing strategy capable of attaining the goals set out in their application.

Potential Beneficiaries:

The scheme is aimed at rights holders of European audiovisual works (i.e. independent European production and distribution companies), cinema networks and European operators making European content available.

Rights holders are encouraged to form consortia and platforms providing end-users with access to a significant number of European audiovisual works.

Eligibility Criteria:

Eligible Organisations:

European organisations registered in an eligible country, which have as their main activity audiovisual production, distribution, exhibition and aggregation. These organisations must be owned directly or by majority participation (i.e. majority of shares), by nationals from eligible countries, and continues to be owned, whether directly or by majority participation, by nationals from these countries.

Broadcasters and telecommunication companies (i.e. companies having as one of their main activities broadcasting and/or telecommunication activities) are not eligible, neither as an applicant, nor as a co-beneficiary for the purposes of this Call for Proposals.

Any applicant or group of applicants must not have majority control (either in shareholding or commercial terms) by a broadcaster and/or a telecommunications company.

Majority control is considered to occur when more than 25% of the company's share capital is held by a single broadcaster or telecommunications company (50% when several broadcasters or telecommunications companies are involved) or when, over a three-year period, more than 90% of the company's revenue is generated in co-operation with a single broadcaster or telecommunications company.

The Agency reserves the right to apply this criterion by taking into account the specific characteristics of the different audiovisual and/or legal systems of the Member States and other participating countries.

Applicant companies have to give proof of their legal status sufficient to allow the creation of a Legal Entity Form.

Eligible countries:

Eligible applicants must be legal entities established in (and being controlled by a majority of individuals / shareholders from) one of the following countries:

- Member States of the European Union.
- Countries of the European Economic Area participating in the MEDIA Programme (Iceland, Liechtenstein, Norway).
- Countries fulfilling the terms set out in Article 8 of Decision 1718/2006/EC including Switzerland and Croatia.

Minimum European dimension

Proposed projects will have to offer a European dimension, which means that the offered content must include audiovisual works from at least five eligible countries representing at least five different eligible languages (the official languages of the European Union, Norwegian, Icelandic and Croatian). No more than 40% of the content (in programme hours) may come from a single territory. This criterion must be fulfilled at the start, and for the duration of the action.

Eligible content

For the purposes of this Call for Proposals there are two types of Eligible Content i.e. *Core Content* and *Alternative Content* :

- *Core Content*, i.e. fiction, animation and creative documentary (according to the MEDIA Programme's objectives), including feature films (i.e. feature length films), TV films or series and short films
- *Alternative Content* (making of's, operas, concerts, performances...)

The following programmes will not be considered as eligible content: flow programming (news programmes, current affairs, reportages, "how-to" documentaries, DIY, talk shows, cooking lessons, sports events...), commercials, programmes promoting tourism. Audiovisual works consisting of advertising, pornographic, racist material or advocating violence are not eligible for support.

Potential beneficiaries should have an adequate balance between the two in any Video on Demand (VoD) proposal. In order for a VoD proposal to be eligible, the content of the VoD catalogue must consist of at least 60% of Core Content.

In Digital Cinema Distribution (DCD) proposals, only Core Content will be considered as eligible.

The content must be European. No restrictions concerning the year of copyright apply.

- The work must be majority produced by companies established in one or more eligible countries; and
- The work must be produced with the significant participation of professionals who are nationals/residents of eligible countries. 'Significant participation' is defined as having 10 or more points on the basis of the table below, (or the biggest share of points if the total is less than 19 in the case of documentaries or animation films):

+	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1	2
Actor 2	2
Actor 3	2
Artistic Director/Production Design	1
Director of Photography	1
Editor	1
Sound	1
Shooting location	1
Laboratory	1
Total	19

(+): Criteria EU nationality of the functions.

Eligible activities

2 types of services are eligible:

– *Video on Demand (Business to Consumers-"B2C")*

- Video on Demand (VoD): Service enabling individuals to select audiovisual works from a central server for viewing on a remote screen by streaming and/or downloading. N.B. B2B projects do not correspond to an eligible activity for support to Video on Demand.

– *Digital Cinema Distribution (Business to Business-B2B)*

- Digital Cinema Distribution (DCD): Digital delivery (to an acceptable commercial standard) of "core content" to cinemas for theatrical exploitation (via hard disc, satellite, online...).

Eligible proposals

Only those applications using the official forms, duly completed and with the original signatures required which are received within the specified period will be eligible.

Selection Criteria

Only the proposals fulfilling the following conditions will be given further consideration:

- Applicant companies must provide proof of their financial capacity to realise the project;
- Applicant companies must provide proof of their operational capacity to realise the project.

Award Criteria

Eligible applications, including the action plan if a Framework Partnership Agreement is requested, will be assessed on the basis of the following criteria:

Award Criteria	Scoring
<p>Catalogue and Editorial line</p> <p>Will be taken into account the extent and scope of the programmes in the catalogue and the editorial line of the catalogue.</p>	10%
<ul style="list-style-type: none"> • Extent and scope of the programmes in the catalogue 	5%
<ul style="list-style-type: none"> • Editorial Line/Policy 	5%
<p>European dimension of the catalogue</p> <p>Will be taken into account: Cross-border & Cross-language Distribution and the content from countries with a low production capacity.</p>	20%
<ul style="list-style-type: none"> • Cross-border & language Distribution - Inward & Outward 	10%
<ul style="list-style-type: none"> • Distribution of content from countries with a low production capacity 	10%
<p>Quality and cost-effectiveness of the Business Model submitted</p> <p>Will be taken into account: the quality of the Business Model, the Cost-Effectiveness and the quality of the Marketing Plan.</p>	20%
<ul style="list-style-type: none"> • Quality of the Business Model 	10%
<ul style="list-style-type: none"> • Cost-Effectiveness of the submitted project 	10%
<p>Marketing Strategy</p> <p>Will be taken into account the overall concept, techniques and tools deployed (e.g. Web 2.0 etc.) and the appropriate nature of the plan measured against the expected results.</p>	20%
<ul style="list-style-type: none"> • Quality of the Marketing Plan 	10%
<ul style="list-style-type: none"> • Coherence of the Marketing Plan with the Catalogue, Editorial Line/policy and the marketing plan 	10%
<p>Innovative aspects of the action</p> <p>Will be taken into account: the new ideas and solutions presented in the action plan.</p>	10%
<p>Grouping and Networking Dimension</p> <p>Will be taken into account: the extent of the partnership and the exchange of knowledge within the partnership.</p>	10%
<ul style="list-style-type: none"> • Number of partners and impact of their contribution to the overall catalogue 	5%
<ul style="list-style-type: none"> • Exchange of commercial knowledge within the partnership 	5%

Target audience and Potential impact	
Will be taken into account: the size of the targeted audience and the number of countries targeted.	10%
<ul style="list-style-type: none"> • Size of the potential audience 	5%
<ul style="list-style-type: none"> • Number of territories with an effective marketing strategy 	5%

Expected Results

It is expected that the projects selected for funding will contribute to the development of new methods of distributing European films and (based on the use of new information and telecommunications technologies) assist the sector to reach the widest possible audience. In addition by acting as a "choice liberator" the introduction of widespread VoD and DCD services offering a range of European films will enable the audience to access a wider range of films from participating countries thus contributing to the cultural diversity of the available offers on the market.

The MEDIA contribution (grant) will be awarded by way of specific agreement for those beneficiaries having been selected for a 3-year framework partnership agreement for the period 2012-2014 within the referenced call for proposals. All others grants will be awarded by way of agreements for an action.

PROGRAMMING TABLE FOR 2011
Budget Line 15 04 66 01
Title: MEDIA 2007

	EUR-27	EFTA/EEA	C4/C5*	THIRD COUNTRIES	Total (**)
Commitment appropriations	104.310.000,00	2.482.578,00	3.988,00	6.107.434,00	112.904.000,00

WPI (***)	Strands / Actions	Budget	Mode of Implementation	Indicative / planned number of interventions	Average contribution / intervention	Maximum rate of cofinancing	Publications of calls	Grant Agreement / Grant Decision (****)
	1. Training							
1.10	1.1. Initial Training	2.000.000,00	CFP-EA	20	100.000,00	75%	janv-11	AGR
1.20	1.2. Continuous Training	7.000.000,00	CFP-EA	60	116.666,67	60%	janv-11	AGR
	2. DEVELOPEMENT							
2.10	2.1 Support for Single Projects	7.000.000,00	CFP-EA	180	38.888,89	60%	sept-10	AGR/DEC
2.20	2.2 Support for Slate Funding	10.000.000,00	CFP-EA	70	142.857,14	50%	sept-10	AGR/DEC
2.30	2.3 Support for Interactive Works	2.000.000,00	CFP-EA	15	133.333,33	60%	sept-10	AGR/DEC
2.40	2.4 Initiative i2i	3.000.000,00	CFP-EA	70	42.857,14	60%	oct-10	AGR
	3. DISTRIBUTION							
3.10	3.1 Distribution Cinema Selective	12.250.000,00	CFP-EA	300	40.833,33	50%	sept-10	AGR
3.20	3.2 TV Broadcasting	10.400.000,00	CFP-EA	80	130.000,00	20%	sept-10	AGR
3.30	3.3 Cinema Network	10.285.000,00	CFP-EA	1	10.285.000,00	60%	sept-08	AGR
3.40	3.4 Distribution Cinema Automatic	18.314.675,00	CFP-EA	500	36.629,35	60%	Mar-09; Feb-10 & Dec-10	AGR
3.50	3.5 Sales Agents	1.000.000,00	CFP-EA	50	20.000,00	50%	Feb-10 & mars-11	AGR
3.60	3.6. Digitisation of Cinemas	2.000.000,00	CFP-EA	100	20.000,00	60%	mars-11	AGR/DEC
	4. PROMOTION							
4.10	4.1 Market Access (including Promotion outside MEDIA countries)	7.260.000,00	CFP-EA	50	145.200,00	50%	Aug-08; Sept-10 & mars-11	AGR
4.20	4.2 Festivals	3.500.000,00	CFP-EA	90	38.888,89	50%	Sept-08 & Sept-10	AGR/DEC
4.30	4.3 Stands	2.300.000,00	PP-EA	6	383.333,33	100%	nov-08	na
	5. TECHNOLOGICAL DEVELOPMENT							
5.10	5.1 Pilot Projects	1.500.000,00	CFP-EA	4	375.000,00	50%	mars-11	AGR
	6. NEW ACTIONS							
6.10	6.1 Access to Finance	2.000.000,00	Art.54.2(c) FR	2	1.000.000,00	100%	janv-10	na
6.20	6.2 On Line Distribution	7.000.000,00	CFP-EA	20	350.000,00	50%	mars-11	AGR
	7. ACTIONS FOR THE SECTEUR							
7.10	7.1 MEDIA Desks	3.844.325,00	Art.54.2(c) FR - EA	44	87.371,02	50%	na	AGR
7.20	7.2 European Audiovisual Observatory	250.000,00	CONTR	1	250.000,00	50%	na	na
	Total	112.904.000,00		1.663				

(*) Estimate
(**) Pursuant to Article 83 of the Financial Regulation, the appropriations may also finance the payment of default interest
(***) WPI: Work Programme Index
(****) AGR - Grant covered by a written agreement / DEC - Grants covered by a decision

CFP: Grant awarded with a call for Proposals
PP: Public Procurement

CFP-EA: PP-EA: Art.54.2(c) FR - EA:	Actions implemented by the Executive Agency EACEA
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CONTR: Contributions paid by the EU as subscriptions to bodies of which they are members - Art. 108.2(d) FR
Art.54.2(c) FR: Financial contributions to bodies covered by Art.54.2(c) FR
na: not applicable