



Practical guide

Promoting the distribution of Swiss films and co-productions abroad (export promotion)

Based on Art. 6 to 12 of the Ordinance of the FDHA on the Promotion of the International Presence of Swiss Cinema and MEDIA compensatory measures (IPFiV). Valid from 1 January 2023.

The Federal Office of Culture (FOC) promotes the cinema release and distribution via online platforms of Swiss films abroad to increase exposure to Swiss films in other countries. The foundation SWISS FILMS is responsible for the administrative implementation of this measure.

1 Overview

Applicant	Production company based in Switzerland
Time of application	Deadline on the 15th day of each month Up to two months before the start of the exploitation
Exploitation	Cinema, VoD
Assessment	<ul style="list-style-type: none">- Exploitation strategy- Distribution potential- Consistency- Own contribution- Experience
Supporting documentation	<ul style="list-style-type: none">- Sales in relevant target country

If it can be established that the theatrical rights to a film have been sold in at least five countries, including at least one European country with a strong production capacity (Germany, France, the United Kingdom, Italy, Spain), the assessments are based on simplified criteria (see chapter 3).

2 Export promotion for distribution and sale in specific countries

2.1 Requirements of the applying company

An independent Swiss production company may submit an application, if it:

- is principally involved in film production;
- is entered in a commercial register in Switzerland;
- holds the majority of the rights for the work in question;
- has a contractual agreement with a professional distribution company outside Switzerland for the distribution or sale of its film. A distribution company is considered professional if it has distributed at least three films in cinemas in the last three years.

2.2 Eligible films

Feature films, documentaries and animation films of at least 60 minutes' duration are eligible,

- their initial cinema release in Switzerland must not have been more than 24 months ago;
- they must have been produced as Swiss films or recognised Swiss-foreign co-productions with Swiss direction and Swiss production rights;
- their first release must be scheduled for the cinema or for sale via digital platform; and
- they must not have access to the European Union's MEDIA programme's distribution measures.

Films co-produced with companies that release films (broadcasters, online platforms, media companies and cinema or distribution companies) or that were co-produced with training and further education institutions, can be promoted, if:

- the film was independently produced artistically and financially; and
- the rights and holdings that remain with the applicant company enable an active release beyond the scope of the exploitation by the co-producing companies or institutions.

TV series are not eligible, nor are films excluded from promotion by the Film Act (commissioned or advertising films, pornography, glorification of violence, racist content, etc.).

2.3 Eligible costs

Costs (excluding any VAT) for the following budget items are eligible, provided they are incurred during the three months preceding the application or up to twelve months following submission of the application:

- a) production of promotional material;
- b) purchase of advertising space;
- c) media work in the target country;
- d) further promotion and intermediation activity;
- e) copies or electronic data carriers plus encoding or transcoding;
- f) synchronisation and subtitling.

Please note:

- The distribution guarantee costs do not count as distribution costs.
- Only paid costs that can be verified with invoices from external service providers are eligible.
- For distribution via digital download services, the applicable timeframe is the first 12 months of the online release.

2.4 Submission of the application

The deadline is the 15th day of each month.

The completed application form plus all the required enclosures must be submitted electronically **no later than two months before the film's release in the target country (cinema release or start of distribution on an online platform)** to the SWISS FILMS foundation: support@swissfilms.ch.

In addition, the original and signed application form (not including enclosures) must be sent by post to the following address: SWISS FILMS, Daniela Strika, Neugasse 6, 8005 Zurich (date of postmark no later than two months before the film release).

The application must be signed by both the production company and the distribution company of the target country.

The application consists of:

- A completed and signed application form, plus the following
- Enclosures:
 - Commercial register extract of the distribution company;
 - List of film titles distributed and sold by the company in the past three years including viewing numbers and number of screens or downloads per film;
 - Copy of the dated and signed distribution contract;
 - Certificate of Swiss origin or co-production certificate issued by the Swiss Federal Office of Culture;
 - Evaluation guide (see 2.5);
 - Screening link to the film (for experts only, treated confidentially).

Please note:

- Issue one application¹ per country where a release is scheduled.
- All enclosures must be included with the application form. Incomplete applications will be rejected.
- All enclosures must be in one of the three official Swiss languages (German, French, Italian) or English. Exception: commercial register extract of the distribution company.
- The financial assistance may be up to 50 percent of eligible costs (eligible costs correspond to "Total net distribution costs" on the application form).

2.5 Review of the application

Individual experts with knowledge of the relevant markets in the target country review the application. The application is evaluated according to the promotion criteria listed under 2.6, which are specified in

¹ In territories that traditionally represent one market together (e.g. UK/Ireland, USA/Canada, Benelux), a distribution company may submit a single application for the whole territory if it is responsible for the distribution of the film in all countries. However, the maximum amount is not higher than the highest maximum contribution of a single country.

an evaluation form. The applicant must submit the evaluation form with a self-assessment for the completion of the promotion criteria when submitting the application.

The FOC will make a decision on the basis of the expert's recommendation. A copy of the decision will be sent to Swiss Films. The decision normally is notified by the end of the month following submission of the application.

The application cannot be submitted twice.

2.6 Promotion criteria and their weighting

The promotion criteria are weighted as per the following table:

Criteria		Points (maximum: 100)
1	Quality and originality of the promotion and exploitation strategy	30
2	Distribution potential for the film abroad	20
3	Consistency of the budget with the planned exploitation	20
4	Contribution of the distribution company	20
5	Experience of the distribution company	10

Projects receive an extra five points, if:

- a. the cinema release is in a country with which Switzerland has concluded a co-production agreement;
- b. the promotion strategy for the cinema release exploits synergies in conjunction with a festival in the country in question.

Projects that score a minimum of 75 points are eligible for promotion. The applications are reviewed and approved after the submission date.

2.7 Maximum contributions and calculation of financial aid

The financial aid can be up to 50 percent of eligible costs. Eligible costs correspond to "Total net distribution costs" on the application form.

The financial aid may not exceed the maximum amount for the target country set by the FOC. The maximum contributions per country are published in the FOC distribution plan every year.

Maximum contributions per country		
Country group I	Germany, France, United Kingdom, Italy and Spain	CHF 50 000
Country group II	<i>European countries:</i> Austria, Norway, Sweden, Finland, Denmark, the Netherlands, Luxembourg, Belgium, Portugal, Poland <i>Non-European countries:</i> Canada, Mexico, USA, China, Japan, Brazil	CHF 30 000
Country group III	Other countries	CHF 15 000

2.8 Payout and retroactive correction

Payment of the financial contributions comprises two instalments of 50% each.

The sums are paid by Swiss Films based on an agreement with the distribution or selling company in the target country. The first instalment is paid when the film release has been secured and remaining financing has been documented.

The second instalment is paid following presentation of the cost breakdown. To qualify for payment of the second instalment, valid documentation for the release (incl. list of all the towns/cities, cinemas, viewing figures, net income from distribution, downloads per online platform for VoD release) and a breakdown of costs including copies of receipts have to be transmitted by no later than 14 months following the film release.

The financial contribution is reduced or waived once it exceeds 50% of the actual eligible costs or once the distribution or sales income plus subsidies exceed the eligible costs (see chapter 4). The promotion is revoked if the film is not given a cinema release in the target country as scheduled. Excess financial contributions must be refunded.

The applicant undertakes to provide Swiss Films with samples of all the advertising material used for the film (posters, flyers, invitations, etc.) a copy of the national version of the supported film on a physical or electronic data carrier (e.g. DVD) plus reactions in connection with the film release (reviews, press articles, etc.).

2.9 Mention of FOC and SWISS FILMS

FOC and Swiss Films must be mentioned as a partner on all relevant advertising and communication media. Swiss Films will provide the necessary material to do that.

3 Export promotion for cinema release in a minimum of five countries

3.1 Principles

If the rights for the theatrical release of a film can be proven to have been sold in at least five countries, including at least one European country with a strong production capacity (Germany, France, United Kingdom, Italy, Spain), a limited assessment will be made according to simplified criteria (section 3.2).

At least five completed application forms with all required enclosures must be submitted electronically **at least two months before the first theatrical release in one of the target countries** to the Swiss Films Foundation at the following address: support@swissfilms.ch.

The FOC decides on the funding per target country based on the recommendation of the expert. There must be positive decisions for at least five countries, including one country with a large production capacity. Otherwise, the film will be evaluated according to section 2.6.

If the film is sold in other countries after positive funding decisions or after a theatrical release in at least five countries (including at least one with a large production capacity), additional applications may be submitted for these countries in accordance with this chapter.

In all other respects, the funding procedure is governed by chapter 2.

3.2 Promotion criteria and their weighting

The promotion criteria are weighted as per the following table:

Criteria	Points (maximum: 50)
Consistency of the distribution budget with the planned exploitation	20
Contribution of the distribution company	20
Experience of the distribution company	10

The projects receive no extra points under Art. 9 para. 3 IPFiV. Projects that score a minimum of 30 points are eligible for promotion. The applications are reviewed and approved after the submission date.

4 Contribution reduction with example

Based on the breakdown, the final grant amount will be reduced from the budgeted amount as follows:

- a. If the chargeable costs are actually lower than budgeted, the subsidy contribution will be reduced proportionately. A subsequent increase in allowable costs cannot be taken into account.
- b. If the income (distribution, sales plus prospective subsidies) exceeds the effective chargeable costs, the grant will be reduced proportionally.

If both reductions are applied, the larger reduction is decisive. In the case of reduction, the second instalment is adjusted accordingly or an overpaid amount reclaimed.

Calculation example in CHF (for b):

Total designated export contribution from FOC:	20 000
1st tranche (50%):	10 000
2nd tranche (50%):	10 000

Starting point for cost calculation:

Designated subsidies (FOC + others):	30 000
+ net income	30 000
Total 1 income	60 000

Total 2 eligible costs	50 000
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Excess (total 1 – total 2)	10 000
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FOC share of costs $20\,000/50\,000 = 40\%$	4 000
Reduction in grant amount = 40% of excess	

Definitive grant amount	16 000
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2nd instalment (definitive grant amount – 1st instalment)	6 000
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