

POLISH FILM INSTITUTE

OPERATIONAL PROGRAMS

FOR 2008

GUIDELINES FOR APPLICANTS

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Statutory duties of the Polish Film Institute with respect to state policies in the film sector:

- 1) to create opportunities for the development of Polish film production and co-production;
- 2) to stimulate and support the creation of all film genres in Poland, in particular art films, including film project preparation, film production and distribution;
- 3) to support activities aimed at giving Polish audience access to the widest range of Polish, European and world films;
- 4) to support film debuts and artistic development of young film makers;
- 5) to promote Polish film production;
- 6) to subsidize ventures within the framework of preparing film projects, film production, film distribution and promotion, as well as promoting Polish contemporary film culture, including film production by Polish communities abroad;
- 7) to support the preservation of film archives;
- 8) to encourage the development of Polish independent cinema potential, especially of small and medium-sized enterprises operating in the film industry.

In consideration of the financial situation, the director of the Polish Film Institute announces the following programmes:

The Polish Film Institute's programs

PROGRAMME	PRIORITY	ALLOCATION (million PLN)	TOTAL (million PLN)	%
Project development	Development	3,7	4,7	4,3
	Grants for screenwriters	1,00		
Film production	Directorial debuts	17,69	116,87	55,7
	Feature film production	74,68		
	Documentary film production	8,00		
	Animated film production	7,50		
	Supporting minority projects undertaken by Polish producers	9,00		
	Production of films for which scripts were selected in competitions organized by PFI	0,00		
Promotion of film culture		13,96	13,96	10,7
Promotion of Polish film abroad		8,28	8,28	2,5
Development of cinemas and film distribution	Support for the activities of cinemas and film discussion clubs	3,34	10,45	8,9
	Development of cinema infrastructure	4,21		
	Film distribution and promotion	3,90		
Professional training		3,37	3,37	3,5
Awards (annual awards, script competitions)		0,40	0,90	1,0
TOTAL		158,53	158,53	80,5

OP PROJECT DEVELOPMENT

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of the Polish Film Institute announces the 'Project Development' Operational Programme (OP) with an allocation of 4,7 million PLN.

The objective of the programme is to improve the quality of scripts and film projects of all film genres, in particular international co-productions, through financial support of their professional development.

The programme has two priorities:

Priority I Development
Priority II Grants for screenwriters

Priority I Development

Funds allocated for 2008 – 3,7 million PLN

1. Eligible project types:

1. Preparation of film projects (purchase of copyrights; script writing; pilot, trailer and arranging rehearsal shots; searching for investors and co-producers in Poland and abroad, preparation of financial, marketing, distribution plans, etc.)
2. Within this priority, projects under the guidelines of European programs such as: Media Plus, P.R.I.M.E., EAVE, may be subsidized.
3. Development of directorial debut projects at the quota limit of 200 000 PLN within the allocated funds.

2. Terms and conditions of funding

1. Subsidy awarded to the undertaking cannot exceed 50% of the total film production budget with the exception of points: 2, 3 and 4.
2. In the case of difficult and low-budget projects, the subsidy cannot exceed 70% of the total budget.
3. The subsidy limits mentioned above apply with respect to the share of any other subsidies in the form of grants or subventions, coming from the public sources, in the total budget of the project, with the exception of means from the EU programs which can be accumulated with public means, in accordance with separate provisions or decisions of the EU authorities.
4. Subsidy limitations quotas:
 - a) 30,000 for documentary films;
 - b) 200,000 for series of animated films; 80 000 for individual animated projects;
 - c) 120,000 for feature films;
 - d) subsidizing development of directorial debut projects within feature films at the quota limit of 80 000 PLN;
 - e) subsidizing development of directorial debut projects within documentary films at the quota limit of 10,000 PLN;
 - f) subsidizing development of directorial debut projects within animated films at the quota limit of 50,000 PLN.

In the case of international co-productions (minimum two foreign co-producers) the quotas listed in point 4 may be increased by 30%. In the case of bilateral Polish – German co-productions within the Polish-German co-development fund for film project development, the subsidy will be

provided up to a maximum in Polish zloty equivalent to €30,000. When justified, the PFI Director may grant a subsidy up to a maximum in Polish zloty equivalent to €50,000. In the case of a full length animated film (over 70 minutes) the quotas may be increased by 100%. In the case of a full length documentary film (over 70 minutes) the quotas may be increased by 80%.

Subsidies are payable in three instalments: 20% in advance, 30% after submission of the film script and a copy of copyrights acquisition contract, 50% after submission of a complete film project (regardless of the subsidy to film production received by the producer within the framework of "Film Production" OP). In special cases the producer may apply for an alternative instalments structure.

With regard to all film genres, applications without doctoring script will not be considered. A producer may only apply for a documentary film development subsidy in the case of a historic film that requires documentation or a "difficult" film that requires high pre-production expenditure and has potential for international co-production.

If the beneficiary fails to provide the PFI with the complete script and a copy of copyrights acquisition contract, they will not receive the 2nd and 3rd instalments. If the beneficiary fails to submit an application for a film project subsidy within the guidelines of the 'Film Production' OP, they will not receive the 3rd instalment. The PFI reserves the right to demand amendments in the script until a final version of the script is accepted.

When the beneficiary receives means for the film production within the framework of "Film Production" OP, the subsidy available within the 'Project Development' OP will be reduced by a corresponding amount. This amount will raise the allocation of the 'Project Development' OP.

4. Eligible costs:

- a) copyrights acquisition;
- b) research;
- c) research of archive materials;
- d) script, including treatment, draft versions and final project;
- e) script consultations;
- f) script doctoring;
- g) storyboards;
- h) recruiting and establishing the main cast and crew;
- i) preparing the initial production budget;
- j) preparing a financial plan;
- k) searching for co-producers and investors;
- l) preparing the production schedule;
- m) preliminary marketing and sales plan: target market and audience (anticipated attendance at cinemas), anticipated date of the premiere, presentation at festivals and fairs, sales strategy in all fields of exploitation, etc.;
- n) documentation, test shots, video samples of treatment elements;
- o) for animated projects: graphic design and pilot production;
- p) travel and accommodation expenses (directly related to the development of the project). In the case of air travel, only the cost of economy class tickets is approved. In the case of travelling by car – the equivalent price of a first class train ticket is approved. Per diems are not considered as approved expenses;
- q) documentation of expenses, including local and regional car travel (calculated at the standard rate per kilometre), as well as accommodation expenses;
- r) up to 7% of overall expenses.

5. Beneficiaries:

Film producers.

6. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) quality and originality of the project;
- c) artistic, educational, humanistic and ethical values of the project, its significance for national culture and enrichment of the European cultural diversity;
- d) schedule for completion of the project (description and action plan, feasibility study, co-financing strategy, preliminary budget for project development, financing plans);
- e) quality of financing strategy and production potentials (project of the production financing plan, co-financing status);
- f) previous achievements of the producer, screenwriter and planned director;
- g) development results of the previous projects subsidized by the PFI (if two projects are not submitted successively within the 'Film Production' OP and they were subsidized within the 'Project Development' OP, or if three successive films subsidized within the 'Project Development' OP were not completed, a producer loses the right to apply for subsidies within the 'Project Development' OP for the next three years);
- h) in the case of screenwriting debut, previous achievements of the promoter selected by the beneficiary are to be confirmed by the letters of intent or a contract.

7. Conditions of accounting:

The applicant is obliged to account subsidies according to the conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality evaluation of the task accomplishment;
- c) financial statement of the task;
- d) complete film project.

8. Out of the allocation of 3 million PLN, the PFI reserves the right to assign 1 million PLN for development of projects selected in competitions announced by the PFI.

Priority II Grants for screenwriters

Funds allocated for 2008 – 1 million PLN

1. Eligible project types:

Script writing for full length feature films or documentary and animated film project.

Within the allocated funds debut projects may be financed up to maximum of 150,000 PLN.

2. Terms and conditions of funding:

The grant is made to a limit of 30,000 PLN¹ and it is paid in the following three instalments: 20% on signing the contract, 30% upon script submission, 50% upon approval of the script. When justified, at the applicant's request, the PFI director may implement an alternative instalments structure. As soon as the script rights are purchased by the producer, the grant is fully reimbursed. The reimbursement may be made by the beneficiary or by the producer carrying out the project.

Subsidizing a script debut within:

1. feature film cannot exceed the limit of 20,000 PLN,
2. documentary film cannot exceed the limit of 8,000 PLN,
3. animated film cannot exceed the limit of 10,000 PLN.

3. Beneficiaries:

¹ In specific cases, when justified by the character of the project, the director may increase a grant by 100%.

Screenwriters.

4. Selection criteria:

While selecting the script projects, the following criteria are taken into consideration:

- a) correctness of the application;
- b) quality and originality of the project (subject, narrative structure, visual approach, characters and dialogues);
- c) artistic, educational, humanistic and ethical values of the project, its significance for national culture and enrichment of the European cultural diversity;
- d) previous artistic achievements of the applicant;
- e) results of the previous grants obtained from the PFI (if the submitted script fails to satisfy professional requirements or if the script, submitted within the framework of the 'Film Production' OP or 'Project Development' OP, is rejected three times in succession, the applicant loses the right to apply for a grant for the next three years);
- f) in the case of screenwriting debut, achievements of the promoter selected by the beneficiary are to be confirmed by the letter of intent or a contract.

If the screenwriter has received two successive grants and neither of the scripts was purchased by the producer, the screenwriter loses the right to apply for a grant for the next three years.

The screenwriters who won the award for the best script at the Polish Film Festival in Gdynia will be given priority for receiving the grant after submitting a correct application.

5. Objective:

Support of scriptwriting works.

6. Conditions of accounting:

Submitting a completed script which fulfils professional requirements.

7. PFI reserves the right to expend 0,5 million PLN, within the allocated funds, for prizes in competitions organized by PFI.

OP FILM PRODUCTION

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of the Polish Film Institute announces the 'Film Production' Operational Programme with an allocation of 116,87 million PLN.

The objective of the programme is:

- a) to encourage the development of the Polish film creation;
- b) to support the directorial debuts;
- c) to create opportunities for the development of Polish films and film co-productions;
- d) to stimulate and support the creation of all genres of films in Poland, in particular art films;
- e) to support film production with minority participation of Polish producers;
- f) to secure financing for film productions for which scripts were selected in competitions organised by PFI.

The programme has six priorities:

Priority I	Directorial debuts
Priority II	Feature films production
Priority III	Documentary films production
Priority IV	Animated films production

For international co-productions debuts, the subsidies may be increased by 35%, however the overall sum of the PFI subsidy cannot exceed 90% of the costs incurred by the Polish side in the co-production budget.

Beneficiaries may apply for increased subsidies within the priorities II, III and IV, in accordance with criteria and rules of evaluating those film projects which are not debuts.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement of the agreement with the broadcaster. The statement, concerning the distribution of rights between the producer and the broadcaster, should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as a difference between the broadcaster's percentage shares in the revenues from diverse exploitation fields. The contract with the broadcaster should contain provisions on the income division on the grounds of sublicense (when the broadcaster is the film co-producer), including the value of rights and shares retained by the producer.

Moreover, the priority will be given to the projects applying for a subsidy in the form of a guarantee or a loan.

4. Beneficiaries:

Film producers.

5. Selection criteria:

While selecting the project, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) artistic, educational, humanistic and ethical values including subject originality, narration attractiveness, dramatic construction precision, characters' psychological integrity, dialogues quality;
- c) exploring new thematic areas and current social problems; promoting ethical, humanistic and educational values;
- d) significance for national culture and enhancement of national tradition as well as Polish language, including: reference to Polish cultural achievements, dealing with important historical subjects, strengthening national identity and promoting patriotic ideas, presenting regional richness and diversity;
- e) enrichment of the European cultural diversity;
- f) anticipated results of the undertaking such as: potential access to the audience, distribution and festival potentials;
- g) producer's achievements;
- h) artistic promoter's achievements and tutorial experience;
- i) economical and financial conditions for completion of the undertaking including contribution of non-public and international funds to the venture budget;
- j) anticipated artistic and economic results of the venture;
- k) exploitation fields for the film, confirmed by the letters of intent;
- l) assessment of the school films, TV films and off productions as well as other artistic accomplishments which confirm directing ability; or assessment of the debut film in the case of a second production;
- m) assessment of the off film or preliminary film material (e.g. photography).

6. Conditions of accounting:

The applicant is obliged to account subsidies according to the conditions defined in the contract and to submit the following documents:

- g) key stage reports;

h) final financial account for the task.

7. Others:

The producer is obliged to present the film for PFI initial and final approval. The producer will send a written proposal of the dates for film approval to PFI and then will organize:

- 1) initial approval of the draft copy – an editing version without sound effects,
- 2) final approval – the final version of the picture together with sound effects complete with opening and ending titles and credits. The final approval is a technical assessment of the film and should take place under conditions that guarantee professional evaluation of the presented material in regards to the quality of photography and sound.

Each approval indicated in point 1 and 2 may require multiple screenings. A film is approved by the screening for acceptance, described in point 1 and 2, in the form of protocol of approval signed by co-producers and investors. The producer will inform the PFI of the location and date of each screening for acceptance in order that the PFI Director or representatives authorised by the PFI Director may participate in the screening, or organize a separate screening for the PFI. A film will be deemed approved in its screened form unless the PFI raises any comments or objections within 14 calendar days commencing from the date of screening for acceptance or separate screening.

The producer must place an acknowledgement for receiving the PFI subsidy along with the PFI credits on every film copy. If the producer's logo or credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo and PFI credits is also required.

If the film is released on VHS, DVD carrier or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or PFI credits) as well as PFI logo on the DVD and VHS cover.

Priority II Feature film production

The fund allocated for the priority in 2008 is 74,68 million PLN. The PFI reserves the right to dispose at least 3 million PLN for subsidizing feature films addressed to family, children and youth audiences.

1. The objective of the priority is to support feature film productions intended for theatrical release.

2. Eligible project types:

Subsidizing full length feature film productions.

Subsidy conditions:

- a) for a full length feature film (over 70 minutes), intended primarily for public screening in cinemas, the maximum subsidy cannot exceed 50% of the total budget or the sum of 4 million PLN;
- b) for a feature film qualified as difficult, the maximum subsidy cannot exceed 70% of the total budget or the sum of 2 million PLN;
- c) for a feature low budget film, the maximum subsidy cannot exceed 70% of the total budget or the sum of 1 million PLN.

In certain cases, when justified and following an additional expert guidance, the General Director of the Polish Film Institute may increase funding beyond the limits given above; however no more than by 50% of the available subsidy quotas⁴. In the case of international co-productions, the subsidy may

⁴ A producer or director of the film awarded with the "Golden Lions" award at the Polish Film Festival in Gdynia, at the producer's request, may receive a subsidy increased by 25% but not exceeding 1 million PLN for the next film project, provided that the project has successfully passed the qualification procedures. A producer or director who has won an award "Silver Lions" at the Polish Film Festival in Gdynia, at the producer's request, may receive a subsidy increased by 25% (however the amount cannot exceed 500 000 PLN) for the next film

be increased by a further 35%, with the exception of low budget films which are excluded from this increase.

In all the cases of increased subsidy, following the addition to the basic quota, the total amount of PFI funding must comply with the appropriate percentage subsidy limits for any given film category. For international co-productions, these limits will only apply to the total amount of financial participation of the Polish co-producer within the total production budget⁵.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement of the agreement with the broadcaster. The statement concerning the distribution of rights between the producer and the broadcaster should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as a difference between the broadcaster's percentage shares in the revenues from diverse exploitation fields. The contract with the broadcaster should describe the income division on the grounds of sublicense (when the broadcaster is a film co-producer), including the value of rights and shares retained by the producer.

Moreover, the priority will be given to the projects applying for subsidy in the form of a guarantee or a loan.

3. Beneficiaries:

Film producers.

4. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) artistic, educational, humanistic and ethical values including dramatic construction precision, characters' psychological integrity, dialogue quality; purity of genre, or in the case of auteur films employment of innovative forms of expression; exploring new thematic areas and current social problems;
- c) significance for national culture and enhancement of national tradition as well as Polish language including reference to Polish cultural achievements, dealing with important historical subjects, strengthening national identity and promoting patriotic ideas, presenting regional richness and diversity;
- d) enrichment of the European cultural diversity;
- e) addressing the film to children, youth or family audience;
- f) anticipated results of the venture including audience or participants diversity;
- g) economical and financial conditions for completion of the undertaking including contribution of non-public and international funds to the venture budget and anticipated economic result of the venture;

project which has successfully passed the qualification procedures. A Polish young director – the winner of “Wielki Jantar” award at the “Youth and Film” Film Debut Festival in Koszalin, may obtain, at the producer's request, a subsidy increased by 10% (however the amount cannot exceed 250 000 PLN) for a following film project which has successfully passed the qualification procedures. The PFI Director may grant an increased subsidies for the winners of Polish Film Awards “Orły” - to a producer for a film and to a director for a direction. The fund may be increased by a maximum of 15% (however the amount cannot exceed 300 000 PLN). An award winning applicant who is eligible for an increase may only present one award per application, meaning that he cannot summate either subsidy amounts or authorized subjects (e.g. produce r+ director). The beneficiary is entitled to an increase within five years from the last day of the calendar year in which the award was won. In every case of an increase, following the addition to the basic quota, the overall PFI subsidy amount must comply with appropriate percentage subsidy limits for any given film category.

⁵ In the case of films significant for Polish culture or films promoting Poland, the PFI Director may, in the case of co-productions, account the percentage limit from the total film budget.

- h) previous producer's and director's achievements, including artistic and economic results of their latest films; audience attendance at cinemas, sale and rent of video cassettes/DVDs, number of TV transmissions, sale abroad;
- i) exploitation fields for the film, confirmed by letters of intent;
- j) participation in Polish and international festivals and festival awards;
- k) in case of the second film assessment of the debut; the number of debutants involved in the production.

5. Terms and conditions of funding:

An applicant is obliged to count subsidies according to conditions defined in the contract and to submit the following documents:

- a) key stage reports;
- b) final financial account of the task.

6. Others:

The producer is obliged to present the film for PFI initial and final approval. The producer will send a written proposal of the dates for film approval to PFI and then will organize:

- 1) initial approval of the draft copy – an editing version without sound effects,
- 2) final approval – the final version of the picture together with sound effects complete with opening and ending titles and credits. The final approval is a technical assessment of the film and should take place under conditions that guarantee professional evaluation of the presented material in regards to the quality of photography and sound.

Each approval indicated in point 1 and 2 may require multiple screenings. A film is approved by the screening for acceptance, described in point 1 and 2, in the form of protocol of approval signed by co-producers and investors. The producer will inform the PFI of location and date of each screening for acceptance in order that the PFI Director or representatives authorised by the PFI Director may participate in the screening, or organize a separate screening for the PFI. A film will be deemed approved in its screened form unless the PFI raises any comments or objections within 14 calendar days beginning from the date of screening for acceptance or separate screening.

A producer is obliged to present the film for the PFI approval. A producer must place an acknowledgement for receiving the PFI subsidy along with the PFI logotype or credits on each film copy. When the producer's logo and credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo or credits is also entailed.

When the film is released on VHS, DVD carrier or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or credits) as well as PFI logo on the DVD and VHS cover.

Priority III Documentary film production

Funds allocated for 2008 – 8,0 million PLN

1. **The objective of the priority** is to support documentary film production.

2. Eligible project types:

Subsidizing documentary film production.

3. Subsidy conditions:

Full length documentary film:

- a) for full length documentary films (over 70 minutes), primarily intended for theatrical release, the maximum subsidy cannot exceed 50% of the total budget or the sum of 2 million PLN;

- b) for full length documentary films (over 70 minutes) qualified as difficult, primarily intended for theatrical release, the maximum subsidy cannot exceed 70% of the total budget or the sum of 800 000 PLN;
- c) for full length documentary and low budget films (over 70 minutes), primarily intended for theatrical release, the maximum subsidy cannot exceed 70% of the total budget or the sum of 500 000 PLN.

Documentary film:

- a) for documentary films, the maximum subsidy cannot exceed 50% of the total budget or the sum of 400 000 PLN;
- b) for documentary films qualified as difficult, the maximum subsidy cannot exceed 70% of the total budget or the sum of 250 000 PLN;
- c) for documentary and low budget films, the maximum subsidy cannot exceed 70% of the total budget or the sum of 150 000 PLN.

In certain cases, when justified and following an additional expert guidance, the General Director of the Polish Film Institute may increase funding beyond the limits given above; however the amount cannot exceed 50% of the available subsidy quotas. In the case of international co-productions, the subsidy may be increased by a further 35%, with the exception of low budget films which are excluded from this increase.

In all the cases of increased subsidy, following the addition to the basic quota, the total amount of PFI funding must comply with the appropriate percentage subsidy limits for any given film category. For international co-productions, these limits will only apply to the total amount of financial participation of the Polish co-producer within the total production budget.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement of the agreement with the broadcaster. The statement concerning distribution of rights between the producer and the broadcaster should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as the difference between the broadcaster's percentage shares in the revenues from diverse exploitation fields. The contract with the broadcaster should describe the income division on the grounds of sublicense (when the broadcaster is film co-producer), including the value of rights and shares retained by the producer.

Moreover, priority is given to the projects applying for a subsidy in the form of a guarantee or a loan.

4. Beneficiaries:

Film producers.

5. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application; artistic, educational, humanistic and ethical values including novelty, exploring new thematic areas and current social problems; depth of presented phenomena and making synthesis and general conclusions, dramatic construction precision;
- b) significance for national culture and enhancement of national tradition as well as Polish language including reference to Polish cultural achievements, dealing with important historical subjects, strengthening national identity and promoting patriotic ideas, presenting regional richness and diversity;
- c) enrichment of the European cultural diversity;
- d) anticipated results of the venture including audience or participants diversity;

- e) economical and financial conditions for completion of the undertaking including contribution of non-public and international funds to the venture budget and anticipated economic result of the venture;
- f) producer's and director's demonstrable track record of success including artistic and economic results of their latest films; audience attendance at cinemas, sale and rent of video cassettes/DVDs (if applicable), number of TV transmissions, sale abroad;
- g) participation at Polish and international festivals and festival awards;
- h) exploitation fields for the film, confirmed by letters of intent;
- i) in the case of the second film, the assessment of the debut film;
- j) number of debutants involved in the production;
- k) level and form of the subsidy applied for.

6. Terms and conditions of funding:

The applicant is obliged to account subsidies according to the conditions defined in the contract and to submit the following documents:

- a) key stage reports on progress with regard to the schedule of subsidy stage payment;
- b) final report;
- c) financial account for the task.

7. Others:

The producer is obliged to present the film for the PFI approval. The producer must place an acknowledgement for receiving the PFI subsidy along with the PFI credits on each film copy. When the producer's logo or credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo or credits is also required.

When the film is released on VHS, DVD carriers or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or credits) as well as PFI logo on the DVD and VHS cover.

Priority IV Animated film production

Funds allocated for 2008 – 7,5 million PLN

1. The objective of the initiative is to support animated films including at least one animated full length production for family, children or youth audience.

2. Eligible project types:

Subsidizing animated film productions including TV serials for children (in this case TV contribution is obligatory).

Animated films with a significant proportion of human actor scenes (in genre and production type close to a feature film) may apply for a subsidy within the Priority II.

3. Terms and conditions of funding:

Animated full length film:

- a) for an animated full length film (over 70 minutes), primarily intended for public screening in cinemas, the maximum subsidy cannot exceed 50% of the total budget or the sum of 3 million PLN;
- b) for an animated full length film (over 70 minutes), primarily intended for public screening in cinemas, qualified as difficult, the maximum subsidy cannot exceed 70% of the total budget or the sum of 1,5 million PLN⁶;

⁶ In the case of a full length film addressed to children and youth, the PFI Director may increase a subsidy by 50%, up to a total sum of 2.25 PLN; in the case of international co-productions by a further 35%, up to a sum of 3.037 PLN.

- c) for an animated full length and low budget film (over 70 minutes), primarily intended for public screening in cinemas, the maximum subsidy cannot exceed 50% of the total budget or the sum of 1,2 million PLN.

Animated serial for children:

- a) for a TV serial for children, the maximum subsidy cannot exceed 50% of the total budget or the sum of 1,5 PLN.

Animated film:

- a) for an animated film, the maximum subsidy cannot exceed 50% of the total budget or the sum of 500,000 PLN;
- b) for an animated film, qualified as difficult, the maximum subsidy cannot exceed 70% of the total budget or the sum of 250,000 PLN;
- c) for an animated and low budget film, the maximum subsidy cannot exceed 70% of the total budget or the sum of 200,000 PLN.

Animated films addressed to family, children and youth audience as well as full length projects will receive higher rating.

In certain cases, when justified and following an additional expert guidance, the General Director of the Polish Film Institute may increase funding beyond the limits given above; however the amount cannot exceed 50% of the available subsidy quotas. In the case of international co-productions, the subsidy may be increased by a further 35%, with the exception of low budget films which are excluded from this increase.

In all cases of increased subsidy, following the addition to the basic quota, the total amount of PFI funding must comply with the appropriate percentage subsidy limits for any given film category. For international co-productions, these limits will only apply to the total amount of financial participation of the Polish co-producer within the total production budget.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement of the agreement with the broadcaster. The statement on the distribution of rights between the producer and the broadcaster should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as the difference between the broadcaster's percentage shares in the revenues from diverse exploitation fields. The contract with the broadcaster should describe the income division on the grounds of sublicense (when the broadcaster is film co-producer), including the value of rights and shares retained by the producer.

Moreover, the priority will be given to the projects applying for a subsidy in the form of a guarantee or a loan.

4. Beneficiaries:

Film producers.

5. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) artistic, educational, humanistic and ethical values;
- c) originality and attractiveness of the subject and the use of new forms of expression;
- d) exploring new thematic areas;
- e) creative reference to world trends in the field of animation;
- f) promoting ethical, humanistic and educational values, in particular for children and youth;

- g) significance for national culture and enhancement of national tradition as well as Polish language including reference to Polish cultural achievements, dealing with important historical subjects, strengthening national identity and promoting patriotic ideas, in particular for children and youth audience, presenting regional richness and diversity;
- h) employment of modern technologies;
- i) anticipated results of the venture including potentials for audience attendance in diverse exploitation fields; festival, co-production and export opportunities, diversity of audience and participants structure;
- j) economical and financial conditions for completion of the undertaking including contribution of non-public and international funds to the venture budget; anticipated economic result of the venture;
- k) previous producer's and director's achievements including artistic and economic results of their latest films; audience attendance at cinemas, sale and rent of video cassettes /DVDs (if applicable), number of TV transmissions, sale abroad;
- l) participation at Polish and international festivals;
- m) exploitation fields for the film, confirmed by letters of intent;
- n) in the case of the second film, assessment of the debut;
- o) number of debutants involved in the production.

6. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) key stage reports;
- b) final financial account for the completed task.

7. Others:

The producer is obliged to present the film for the PFI approval. The producer must place an acknowledgement for receiving the PFI subsidy along with the PFI credits on each film copy. When the producer's logo or credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo or credits is also required.

When the film is released on VHS, DVD carrier or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or credits) as well as PFI logo on the DVD and VHS cover.

Priority V Supporting minority projects undertaken by Polish producers

Funds allocated for 2008 – 9 million PLN

1. The objective of the priority is to assist in the development of a sustainable Polish film industry especially with regard to realizing or co-realizing international co-productions in Poland and participation of Polish filmmakers in these projects.

2. Eligible project types:

Subsidizing full-length feature, documentary and animated productions, primarily intended for theatrical screening, where the Polish producer is not a leading producer or is providing film production services, and the PFI subsidy would be necessary for the production process or for the part of the process which takes place in Poland.

In the case of minority co-productions, the Polish producer (co-producer) may apply for a subsidy/ loan/ guarantee. The maximum amounts of subsidy are governed by the same rules as in the priority II, III and IV.

In the case of a Polish film service provider, he is only eligible to apply for a loan.

Minority co-productions are understood as follows:

1. in the case of bilateral co-production: Polish contribution is below 20% of the total budget;
2. in the case of multiple co-production: Polish contribution is below 10% of the total budget;
3. Polish and foreign producers conclude a contract concerning the co-production;
4. in the case when there are no Polish representatives in the group comprising: director, screenwriter, actor performing one of the main roles, but they do appear, for instance, in supporting roles, in editing, photography, music, etc.;
5. in the case when an executive producer is not Polish;
6. main language version: other language than Polish is acceptable;
7. distribution in Poland as Polish producer's exclusive territory is required.

The service is understood as follows:

The Polish producer provides service for the foreign production partly made in Poland – without significant artistic contribution, only within a period of shooting in Poland.

3. Terms and conditions of funding:

- a) for a Polish co-producer or a Polish service provider with a European feature film, the maximum subsidy may not exceed 1 million PLN (~ 250,000 EUR);
- b) for a Polish co-producer or a Polish service provider with a non-European feature film, the maximum subsidy may not exceed 800 000 PLN (~ 200 000 EUR).

A non-European film is a movie whose leading producer is situated in a non-EU country or in a country not belonging to the European Economic Area.

In certain cases, when justified and following an additional expert guidance, the General Director of the Polish Film Institute may increase funding beyond the limits given above; however the amount cannot exceed 90% of the available subsidy quotas and 50% of the film total budget.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement on the agreement with the broadcaster. The statement concerning the distribution of rights between the producer and with the broadcaster should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as the difference between broadcaster's percentage shares in revenues from diverse exploitation fields. The contract with the broadcaster should describe the income division on the grounds of sublicense (when the broadcaster is film co-producer), including the value of rights and shares retained by the producer.

Moreover, the priority will be given to the projects applying for a subsidy in the form of a guarantee or a refundable loan.

4. Beneficiaries:

Polish film producers.

5. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) participation of Polish filmmakers and professionals in the project;
- c) declared amount of funds which will be spent in Poland;
- d) number of shooting days in Poland;
- e) artistic values of the project;
- f) enrichment of the European cultural diversity;

- g) addressing the film to children, youth or family audience;
- h) significance of the project for the promotion of Polish film industry;
- i) assessment of the authors of the project (especially, director and actors);
- j) evaluation of the Polish co-producer's achievements and experience;
- k) evaluation of the leading (foreign) producer's achievements and experience.

6. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- c) key stage reports;
- d) final financial account of the task.

7. Others:

The producer is obliged to present the film for the PFI approval.

The producer must place an acknowledgement for receiving the PFI subsidy along with the PFI credits on each film copy (in the case of minority co-production). When the producer's logo or credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo or credits is also required (in the case of minority co-production).

When the film is released on VHS, DVD carriers or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or credits) as well as PFI logo on the DVD and VHS cover (in case of minority co-production).

Priority VI Productions of films for which scripts were selected in competitions organized by PFI

Funds allocated for 2008 – 0.0 million PLN

1. The objective of the priority is to support feature film productions intended for theatrical release, made as a result of script competitions organized by PFI.

2. Eligible project types:

Financing production of feature films based on scripts selected in competitions organized by PFI, especially within the program "Heritage for Future Generations", international agreements, competitions for a film addressed to children and in competitions for genre films.

Terms and conditions of funding:

- a) for full length feature films (over 70 minutes), primarily intended for theatrical release, the maximum subsidy cannot exceed 50% of the total budget or the sum of 4 million PLN;
- b) for feature films qualified as difficult, the maximum subsidy cannot exceed 70% of the total budget or the sum of 2 million PLN;
- c) for feature low budget films, the maximum subsidy cannot exceed 70% of the total budget or the sum of 1 million PLN.

In certain cases, when justified and following an additional expert guidance, the General Director of the Polish Film Institute may increase funding beyond the limits given above; however the amount cannot exceed 50% of the available subsidy quotas. In the case of international co-productions, the subsidy may be increased by a further 35%, with the exception of low budget films which are excluded from this increase.

In all cases of increased subsidy, following the addition to the basic quota, the total amount of PFI funding must comply with the appropriate percentage subsidy limits for any given film category. For

international co-productions, these limits will only apply to the total amount of financial participation of the Polish co-producer within the total production budget⁷.

In the case of film projects for which the television broadcaster is a co-producer, or funds obtained from television are one of the sources of funding, the producer should attach to the application the statement of the agreement with the broadcaster. The statement on the distribution of rights between the producer and the broadcaster should guarantee that the producer retains material rights proportionate to the PFI subsidy and his own contribution. The application should include the value of rights to multiple film transmission by the broadcaster, stated in money, in percentage or as the difference between the broadcaster's percentage shares in the revenues from diverse exploitation fields. The contract with the broadcaster should describe the income division on the grounds of sublicense (when the broadcaster is film co-producer), including the value of rights and shares retained by the producer.

Moreover, the priority will be given to the projects applying for a subsidy in the form of a guarantee or a loan.

3. Beneficiaries:

Film producers

4. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) artistic, educational, humanistic and ethical values including dramatic construction precision, characters' psychological integrity, dialogue quality; purity of genre, or in the case of auteur films employment of innovative forms of expression; exploring new thematic areas and current social problems;
- c) significance for national culture and enhancement of national tradition as well as Polish language including reference to Polish cultural achievements, dealing with important historical subjects, strengthening national identity and promoting patriotic ideas, presenting regional richness and diversity;
- d) anticipated results of the venture including audience or participants diversity structure;
- e) economical and financial conditions for completion of the undertaking including contribution of non-public and international funds to the venture budget and anticipated economic result of the venture;
- f) previous producer's and director's achievements, including artistic and economic results of their latest films; audience attendance at cinemas, sale and rent of video cassettes/DVDs, number of TV transmissions, sale abroad;
- g) exploitation fields for the film, confirmed by letters of intent;
- h) participation in Polish and international festivals and festival awards;
- i) in case of the second film assessment of the debut; the number of debutants involved in the production.

5. Conditions of accounting:

An applicant is obliged to count subsidies according to conditions defined in the contract and to submit the following documents:

- a) key stage reports;
- b) final financial account of the task.

6. Others:

The producer is obliged to present the film for PFI initial and final approval. The producer will send a written proposal of the dates for film approval to PFI and then will organize:

⁷ In the case of films of considerable significance for Polish culture or promotion of Poland, PFI Director may, for the co-productions, calculate the percentage limit from a total film budget.

- 1) initial approval of the draft copy – an editing version without sound effects,
- 2) final approval – the final version of the picture together with sound effects complete with opening and ending titles and credits. The final approval is a technical assessment of the film and should take place under conditions that guarantee professional evaluation of the presented material in regards to the quality of photography and sound.

Each approval indicated in point 1 and 2 may require multiple screenings. A film is approved by the screening for acceptance, described in point 1 and 2, in the form of protocol of approval signed by co-producers and investors. The producer will inform the PFI of location and date of each screening for acceptance in order that the PFI Director or representatives authorised by the PFI Director may participate in the screening, or organize a separate screening for the PFI. A film will be deemed approved in its screened form unless the PFI raises any comments or objections within 14 calendar days beginning from the date of screening for acceptance or separate screening.

A producer is obliged to present the film for the PFI approval. A producer must place an acknowledgement for receiving the PFI subsidy along with the PFI logotype or credits on each film copy. When the producer's logo and credits are placed in trailers or other audiovisual advertisements, similar placement of the PFI logo or credits is also entailed.

When the film is released on VHS, DVD carrier or made available through VoD or Internet, each carrier and file should display information on the PFI subsidy (PFI logo or credits) as well as PFI logo on the DVD and VHS cover.

OP PROMOTION OF FILM CULTURE

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of the Polish Film Institute announces the 'Promotion of Film Culture' Operational Programme with an allocation of 13.96 million PLN.

1. The objective of the programme is:

- a) to promote film culture;
- b) to assist the development of film business capable of long-term growth;
- c) to concentrate the practitioners and culture theorists around problems of culture development and promotion;
- d) to protect, preserve and digitalize film archives;
- e) to design and implement programs intended for film school students and graduates that facilitate their professional debut.

2. Eligible task types:

- a) organization of festivals, screenings, exhibitions, film competitions and other events that promote artistically valuable films, including amateur productions;
- b) campaigns promoting the appreciation of particular films, especially artistically valuable ones;
- c) organization of congresses, conferences and symposiums aimed at deepening and promoting film appreciation;
- d) publication of film books and magazines;
- e) digitalization and preservation of film archives and film documentation to facilitate public access;
- f) organization or support of competitions for the best critical analysis and scientific studies concerning film culture;
- g) scientific research related to film appreciation;
- h) marketing research in the field of cinema;
- i) implementation of projects that prevent breaching copyrights in the cinema sector and combating piracy;

- j) creation of opportunities for debutants at film schools (to achieve necessary experience before their professional debut).

3. Beneficiaries:

- a) state and local cultural institutions and film institutions;
- b) non-governmental organizations;
- c) National Film Archive;
- d) schools and universities;
- e) media;
- f) other bodies involved in promoting culture and combating piracy.

4. Terms and conditions of funding:

1. Subsidy for the venture cannot exceed 50% of the total budget, with the exception of points 2 and 3.
2. For a venture with local or regional character, limited audience or low commercial potentials that could not be completed without PFI subsidy; provided that the necessity and proportionality of the public aid rules are observed, the maximum subsidy cannot exceed 70% of the total budget⁸.
3. Subsidy limits apply with respect to the share of other budget subsidies obtained from public sources, in the form of grants and subventions, with the exception of means from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities.

5. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) material value of the task with regard to tradition and project continuity perspectives;
- c) diversity of the audience or participants structure and a number of participants, in particular children and youth;
- d) territorial range of the project (international, Polish or regional);
- e) participation of professionals in preparing and carrying out the task;
- f) complexity, innovation and adequacy of the presented themes;
- g) diversity of communities (groups) involved in the task;
- h) amount of own contribution declared;
- i) potentials for accomplishing the beneficiary's goals.

6. Conditions of accounting:

The Polish Film Institute specifies the conditions for subsidy grants, including the scope and the form of information on the received subsidy requested by the PFI.

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality assessment of the task completion;
- c) result indicators of the task;
- d) financial accounting of the task.

7. Indicators:

No.	Indicator	Unit
1.	Number of events within the task	number
2.	Number of films presented within the task schedule (including Polish films and films regarded as masterpieces of world cinema)	number

⁸ In certain cases, following additional experts' guidance, the General Director of the Polish Film Institute may increase the PFI share in the project budget.

3.	Number of persons involved in the task completion	persons
4.	Anticipated number of persons participating in the task schedule	persons
5.	Number of partners or institutions involved in the task completion	number
6.	Number of media partners	number
7.	Edition of promoting materials	Number of copies
8.	Number of digitalized items	number
9.	Edition of books or magazines	Number of copies
10.	Restriction on piracy	%
11.	Others	

OP PROMOTION OF POLISH FILM ABROAD

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of the Polish Film Institute announces the 'Promotion of Polish Film Abroad' Operational Programme with an allocation of 8,28 million PLN.

1. The objective of the program is:

- a) to present Polish films and Polish filmmakers' achievements internationally;
- b) to promote Polish films and Polish talent internationally;
- c) to set up strategies for international cooperation in film industry.

2. Eligible task types:

- a) events promoting abroad the achievements of Polish filmmakers' and Polish film accomplishments;
- b) campaigns promoting Polish films at the international festivals and their potentials for international awards;
- c) publication of books, magazines and other information materials promoting Polish film and Polish filmmakers' achievements, intended for foreign market, as well as organization of exhibitions, conferences and other events;
- d) projects designed to enhance institutional and permanent cooperation in the field of promotion of Polish film, Polish filmmakers' achievements and Polish film history;
- e) organization of appointments and meetings with foreign investors, producers and filmmakers;
- f) undertakings and conferences of international stature in the field of film culture.

3. Beneficiaries:

- a) state and local cultural institutions and film institutions;
- b) non-governmental organizations;
- c) National Film Archive;
- d) schools and universities;
- e) film producers;
- f) film distributors;
- g) media;
- h) publishers;
- i) Polish diplomatic agencies.

4. Terms and conditions of funding:

1. The maximum subsidy cannot exceed 50% of the total budget, with the exception of points 2 and 3.
2. For a venture with local or regional character, limited audience or low commercial potentials, that could not be completed without PFI subsidy; provided that the necessity and

proportionality of the public aid rules are observed, the maximum subsidy cannot exceed 70% of the total budget⁹.

3. Subsidy limits apply with respect to the share of other budget subsidies obtained from public sources, including grants and subventions, with the exception of means from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities.

5. Selection criteria:

- a) correctness of the application;
- b) material value of the task understood as:
 - stature and significance of the task in the international arena;
 - range and continuity of the project;
 - anticipated results of promoting Polish film and Polish filmmakers' achievements abroad;
 - number of partners and institutions cooperating with the applicant in carrying out the task, in particular number of foreign institutions;
 - participation of authorities and specialists in carrying out the task;
 - contribution of applicant's own resources.

6. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality assessment of the task completion;
- c) result indicators of the task;
- d) financial accounting for the task completion.

7. Indicators:

No.	Indicator	Unit
1.	Number of undertakings and cultural events organized abroad within the project	number
2.	Number of accompanying events within the project	number
3.	Number of participants in the undertakings and cultural events	persons
4.	Number of persons participating in the foreign undertakings within the project	persons
5.	Number of Polish partners and institutions involved in the task completion	persons
6.	Number of foreign partners and institutions involved in the task completion	number
7.	Number of countries (cities) involved in the task completion	number
8.	Number of media partners	number
9.	Edition/number of publications, posters, brochures or other information carriers and promotional materials	number
10.	Number of recipients of the undertaken promotional activities within the project	persons
11	Others	number

OP CINEMA DEVELOPMENT AND FILM DISTRIBUTION

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of

⁹ In special cases the PFI Director may increase the subsidy.

the Polish Film Institute announces the 'Development of Cinemas and Film Distribution' Operational Programme with an allocation of 11,45 million PLN.

The objective of the programme is:

- a) to widen access to the range of Polish, European and world films available;
- b) to support cinemas and create appropriate conditions for efficient functioning of film institutions;
- c) to encourage the successful distribution of Polish films.

The programme has three priorities:

Priority I Support for cinema theatres and film discussion clubs

Priority II Development of the cinema theatre infrastructure

Priority III Distribution and promotion of films

Priority I Support for cinema theatres and film discussion clubs

Funds allocated for 2007 – 3,34 million PLN

1. **The objective of the priority is** to assist the activities of cinema networks which promote ambitious repertoire as well as film discussion clubs through:
 - a) reinforcing the distribution and promotion of European and Polish films distinguished by high artistic and educational merit and films considered as masterpieces of world cinema;
 - b) stimulating educational activities.
2. **Eligible project types:**
 - a) subsidizing production and purchase of film copies recognized by the experts as artistically valuable and primarily intended for SKS (studio cinema network) and DKF (film discussion clubs);
 - b) organization of educational events, primarily addressed to young audience;
 - c) organization of European and Polish film screenings, presenting films distinguished by high artistic and educational values and films considered as masterpieces of world cinema;
 - d) organization of film workshops and training courses intended to increase awareness and appreciation of cinema achievements;
 - e) systematic presentation of short films while screening full length productions;
 - f) systematic film education led by DKF (film discussion clubs) (grants up to 10 000 PLN annually);
 - g) organization of gala premiers for films of national cultural significance.
3. **Beneficiaries:**
 - a) cinemas belonging to Europa Cinemas network and Studio Cinemas Network;
 - b) cinemas, not belonging to the network, provided that Polish films constitute not less than 10% of their annual repertoire;
 - c) film distributors¹⁰;
 - d) film discussion clubs;
 - e) entities running cinemas.
4. **Terms and conditions of funding:**
 1. The maximum subsidy cannot exceed 50% of the total budget, with the exception of points 2 and 3.

¹⁰ In the distribution and co-financing the film copies intended for SKS (studio cinemas network) and DKF (film discussion clubs) and cinemas that satisfy the above requirements as well as organization of gala premiers for films.

2. For a venture with local or regional character, limited audience or low commercial potentials that could not be completed without PFI subsidy; provided that the necessity and proportionality of the public aid rules are observed, the maximum subsidy cannot exceed 70% of the total budget¹¹.
3. Subsidy limits apply with respect to the share of other budget subsidies obtained from the public sources, in the form of grants and subventions, with the exception of means from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities.

5. Selection criteria:

While selecting the projects, the following criteria will be taken into consideration:

- a) correctness of the application;
- b) material value of the task;
- c) diversity of the audience and participants structure as well as number of participants;
- d) territorial range of the task;
- e) participation of specialists in the preparation and completion of the task;
- f) innovation and adequacy of the presented themes;
- g) diversity of communities (groups) involved in the task;
- h) amount of own contribution declared;
- i) in the case of cinemas and DKF (film discussion clubs) repertoire from the last year.

6. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality assessment of the task completion;
- c) result indicators of the task;
- d) financial accounting for the task completion.

7. Indicators:

No.	Indicator	Unit
1.	Number of events organized within the task	number
2.	Number of film screenings within the task	number
3.	Number of persons involved in the task completion	persons
4.	Anticipated number of participants	persons
5.	Number of partners or institutions involved in the project completion	number
6.	Number of media partners	number
7.	Edition of promotional materials	number
8.	Others	

Priority II Development of the cinema infrastructure

Funds allocated for 2007 – 4,21 million PLN

1. The objective of priority is to improve functioning conditions for film institutions.

2. Eligible project types:

- a) subsidizing construction, modernization and adaptation of the facilities meant for cinema activities;
- b) subsidizing purchase and modernization of the equipment and facilities for cinema activities;

¹¹ In certain cases, following additional expert guidance, the Polish Film Institute Director may increase the PFI share in the project budget.

c) introducing digital technology screenings.

5. Beneficiaries:

- a) cinemas belonging to Europe Cinemas network and Studio Cinemas Network;
- b) cinemas, not belonging to the network, provided that European films constitute (or will constitute)¹² not less than 15% and Polish films not less than 10% of their annual repertoire;
- d) other entities running cinema activity;
- e) film institutions including the National Film Archive, studios and film production companies;
- f) film schools, associations or foundations which conduct systematic cinema activity.

6. Subsidy conditions:

- 1. The maximum subsidy cannot exceed 50% of the total budget, with the exception of points 2 and 3.
- 2. At least 50% of the subsidy will be provided for investment such as modernization works or purchase of modern digital equipment.
- 3. For a venture with local or regional character, limited audience or low commercial potentials, that could not be completed without PFI subsidy; provided that the necessity and proportionality of the public aid rules are observed, the maximum subsidy cannot exceed 70% of the total budget¹³.
- 4. Subsidy limits apply with respect to the share of other budget subsidies obtained from public sources, in the form of grants and subventions, with the exception of means from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities.

7. Selection criteria:

- a) correctness of the application;
- b) comprehensiveness, innovation and adequacy of the completed project;
- c) impact of the project on long-term improvement of conditions of functioning institutions, including:
 - improving the quality and raising standard of services offered;
 - improving the cost structure of institutions' functioning;
 - expanding the range of institution's influence;
 - innovation and originality of the offered solutions;
 - amount of own contribution declared.

8. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality assessment of the task completion;
- c) result indicators of the task;
- d) financial accounting for the task completion.

9. Indicators:

No.	Indicator	unit
1.	Floor area of new/ modernized facilities	m ²
2.	Quantity of purchased/ modernized furnishing and equipment	number
3.	Number of facilities furnished with indispensable equipment	number
4.	Anticipated increase in the number of screenings	
5.	Anticipated increase in the number of viewers	

¹² When the declared repertoire proportions are not kept, subsidy will be reimbursed together with interest.

¹³ In certain cases, following additional expert guidance, the Polish Film Institute Director may increase the PFI share in the project budget.

6.	Number of persons directly and indirectly involved in the task completion	
7.	Others (what?)	

Priority III Distribution and promotion of films

Funds allocated for 2007 – 3,9 million PLN

1. **The objective of the priority is** to increase the audience attendance at cinemas through facilitating access to film copies and through films' promotion.

2. Eligible project types:

Subsidizing films' distribution and promotion¹⁴

Subsidies are granted in two forms:

- a) subsidizing production of exploitive light sensitive film copies on 35 mm tape or transfer from a digital carrier into 35 mm tape; the maximum subsidy cannot exceed 50% of copy production or the sum of 200 000 PLN, provided that the distributor allocates a minimum 15% of the subsidized copies to the Film Archive; these copies may be distributed exclusively in SKS (Studio Cinemas Network), DKF (Film Discussion Clubs) and local cinemas. The copies are labelled as "dedicated copies". Following expiration of the distributor's license, the dedicated copies become the property of the Film Archive. Applications submitted after the premiere of the film, which is the subject of the application, will be not considered. The approved cost of the film copying amounts up to 7 000 PLN.
- b) refinancing the film promotion, with a constant calculation base of 1 PLN per cinema ticket sold in Poland, for the film which is the subject of the application. The maximum subsidy cannot exceed 50% of the cash budget (barter contracts and actions excluded) for the film promotion or the sum of 200 000 PLN. The subsidy is granted at the request of the distributor, who may specify the accounting period, not longer than one year from the film premiere. Applications for refinancing promotion of the film are submitted by a distributor together with an application for financing exploitive, light sensitive film copies, that is prior to the premiere date. The amount of subsidy will be determined after submitting a report on admission data in due time.

The subsidies described above are intended for Polish films and productions made by Polish filmmakers or as a Polish co-production, including non-commercial films, i.e. films with high artistic and humanistic values and with significance for national and European culture.

3. Beneficiaries:

- a) film distributors,
- b) producers or other subjects being in disposal of film rights.

4. Terms and conditions of funding:

1. The maximum subsidy cannot exceed 50% of the total budget, with the exception of points 2 and 3;
2. For difficult and low budget films, the maximum subsidy cannot exceed 70% of the total budget;
3. Subsidy limits apply with respect to the share of any other budget subsidies obtained from public sources, with the exception of means from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities;
4. Quota limits for 2 a): 200 000 PLN and 2 b): 200 000 PLN¹⁵.

¹⁴ The approved costs include media and outdoor advertising, organization of direct promotion, production and transmission of film advertisements, additional copies of Polish films or films significant for Polish culture.

¹⁵ The Director, after additional expert guidance, may increase the subsidy up to 300 000 PLN.

5. Selection criteria:

While selecting the projects, the following criteria are taken into consideration:

- a) number of copies intended for distribution;
- b) the audience attendance within the first year of film screening;
- c) market potentials of the film;
- d) potentials and artistic value of the film;
- e) the role of the film in promoting participation in film culture.

6. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) report on the ticket sale in Poland, within a time period not longer than one year following the film premiere;
- c) quality assessment of the task completion;
- d) result indicators of the task;
- e) financial accounting for the task completion.

7. Indicators:

No.	Indicator	Unit
1.	Number of events organized within the task	number
2.	Number of film screenings within the task	number
3.	Anticipated number of ticket sales	number
4.	Number of tickets sold	number
5.	Number of persons involved in the task completion	persons
6.	Number of film copies, including dedicated copies	number
7.	Number of media partners	number
8.	Edition of promotional materials	number
9.	Others	

OP IMPROVEMENT OF PROFESSIONAL SKILLS

Under the Cinema Act of 30 June 2005 and the Regulation of the Minister of Culture of 27 October 2005, regulating the Polish Film Institute subsidy undertakings in the field of cinema, the Director of the Polish Film Institute announces the 'Improvement of Professional Skills' Operational Programme with an allocation of 3,37 million PLN

1. The objective of the programme is to elevate qualifications and professional skills of those involved in the film industry. The main focus is placed on skills which have a considerable impact on artistic and technical quality of the film, as well as on economic potentials of the film market.

2. Eligible project types:

- a) organization of courses, training schemes, workshops and other undertakings or long-term and innovative programs designed to improve vocational skills of the human resources in the film industry as well as to raise the qualifications of Polish film creators as a respond to the needs of the film market;
- b) maintaining systematic and institutional information concerning the opportunities of obtaining international funds for film projects;
- c) implementing training programs improving vocational skills before the professional debut.

3. Beneficiaries:

- a) film schools and universities;
- b) foundations and associations;
- c) professional training companies;
- d) chambers of commerce operating in cinema.

4. Terms and conditions of funding:

1. The maximum subsidy cannot exceed 50% of the total budget, with the exception of points 2 and 3.
2. For a venture with local or regional character, limited audience or low commercial potentials that could not be completed without PFI subsidy; provided that the necessity and proportionality of the public aid rules are observed, the maximum subsidy cannot exceed 70% of the total budget¹⁶.
3. Subsidy limits apply with respect to the share of any other budget subsidies obtained from public sources, with the exception of resources from the EU programs which can be accumulated with public means in accordance with separate regulations and decisions of the EU authorities.

5. Selection criteria:

- a) correctness of the application;
- b) project organizers' experience and their achievements;
- c) didactic quality of the project (project curriculum, lecturers' competence, their professional experience and practical knowledge of market requirements or film art, others);
- d) adequacy of the venture;
- e) quality of the venture (precise description and activity schedule, feasibility of the project, target group, strategies of co-financing by partners and supporting institutions, preliminary budget, venture financing plans), suitability for the film market requirements, type and intensity of the training;
- f) anticipated level of practical abilities gained by the participants during the training course;
- g) character and level of involvement of Polish and foreign partners;
- h) the Director of the Polish Film Institute may define priority training areas in a given year.

6. Budget structure:

The financial plan of the project should include a balance sheet of expenses and incomes derived from applied or received subsidies, partners' funds, contributions for participation in the programme and other sources (accreditations, publications, etc). Costs covered by the PFI subsidy must be directly related to the project completion.

The PFI subsidy may cover indirect costs (up to 7% of the subsidy).

The cost estimate should indicate only those expenses which are directly and exclusively connected with the project completion. Expenses indicated in the budget as being the applicant's or partner's own in-kind contribution are not eligible and cannot be reimbursed from the PFI subsidy.

Each entry should provide information on quantity and quality such as:

- a) room rent – type of room, rent period, daily rate;
- b) equipment rent – type of equipment, number of pieces, rent period, daily rate;
- c) remunerations for lecturers – number of lecturers, names, number of lecturing hours, number of workshops. The maximum daily salary amount of lecturers cannot exceed 660 PLN gross per working day (8 hours). In particular cases the PFI subsidy may cover higher costs of lecturers' salaries; it is then necessary to add an explanation to the application. The applicant must receive PFI consent for higher expenses;

¹⁶ In certain cases, following additional expert guidance, the Polish Film Institute Director may increase the PFI share in the project budget.

- d) remuneration for project organizers – number of working days per year and information on performed tasks; information on the work status of the venture organizers in the applying institution, and on the type of contract.

The promotional plan should be enclosed with the cost estimate and should include information on advertising carriers and press articles in which information considering the project will be released.

In the case of the training programme with several workshops or seminars, the financing strategies of the workshops and seminars should be presented in the cost estimate.

7. Conditions of accounting:

The applicant is obliged to account subsidies according to conditions defined in the contract and to submit the following documents:

- a) final report;
- b) quality assessment of the task completion;
- c) financial accounting for the task completion.

FINAL PROVISIONS

1. Operational Programs constitute the detailed basis for receiving the PFI subsidies.
2. Financial allocations are determined by the subsidy from the government budget as well as by the amount of contributions defined in the Cinema Act.
3. Amendments to financial allocations for Operational Programs and priorities are announced by the PFI Director and displayed on the PFI website.
4. Operational Programs have been accepted by the Council of the Polish Film Institute for 2007.
5. The Council of the PFI have authorised the PFI Director to make amendments concerning the procedures for application submission and their evaluation, as well as the application and attachments form, without experts approval.
6. Allocations for priorities and Operational Programs may be modified following the Council approval.
7. Regulations governing the experts work and evaluation charts are approved by the PFI Director.

