

Pursuant to Articles 100, 102 and 107 of the Public Interest in Culture Act (Official Gazette of the Republic of Slovenia [*Uradni list RS*], Nos. 77/07 – official consolidated text, 56/08, 4/10, 20/11, 111/13, 68/16, 61/17 in 21/18 – ZNOrg; hereinafter: ZUJIK, paragraph one of Article 17b of the Slovenian Film Centre Law, public agency (Official Gazette of the Republic of Slovenia [*Uradni list RS*], No. 77/10, 40/12 – ZUJF, 19/14 – Constitutional Court Decision and 63/16; hereinafter: ZSFCJA) and according to the Rules on carrying out public calls and tenders (Official Gazette of the Republic of Slovenia [*Uradni list RS*], No. 43/10) and as per Article 6 of the Rules on promoting investments in audiovisual production (Official Gazette of the Republic of Slovenia [*Uradni list RS*], No. 7/17), the Slovenian Film Centre, a public agency of the Republic of Slovenia (hereinafter: SFC), publishes the following

PUBLIC CALL **on promoting investments in audiovisual production – 2021**

1. THE SUBJECT AND OBJECTIVE OF THE PUBLIC CALL

(1.1) The public call shall be intended for collecting requests for financial compensation for film and audiovisual projects that meet the formal and substantive conditions laid down in the text of this public call, Articles 17a and 17b of the ZSFCJA.

(1.2) The right to financial compensation may be exercised for films intended for cinema release, and audiovisual works of all types intended for release in the media while observing the formal and substantive conditions laid down in these Rules.

2. PROJECT TYPES THAT ARE THE SUBJECT OF THE PUBLIC CALL

(2.1) The applicants shall apply to the public call with the following projects:

- feature films irrespective of their length;
- animation films irrespective of their length;
- documentary films irrespective of their length;
- medium-length and full-length animation or documentary projects suitable for public broadcasting within audiovisual media services;
- individual episodes of television serials and series;
- animated series;
- television serials, whereby an individual season of episodes is considered a single project.

(2.2) Projects provided below shall not be entitled to financial compensation:

- projects intended for marketing and business advertising;
- projects containing pornography or inciting violence and hatred or any kind of discrimination;
- projects of the sitcom genre or situation comedy series;
- projects for so-called soap opera or serial melodrama broadcast daily.

(2.3) As per paragraph five of Article 17b of the ZSFCJA, the substantive conditions shall be defined as:

- cultural significance of the film or audiovisual work for the Republic of Slovenia or another Member State of the European Union;
- use of production or post-production capacities in the territory of the Republic of Slovenia;
- participation of operators from the Republic of Slovenia.

(2.4) To obtain the right to financial compensation, a project undergoing the candidacy procedure must obtain no less than 50 per cent of all possible points as per the substantive conditions determined in Annex, “Conditions for granting the right to financial compensation – cultural test”, which is an integral part of this public call.

3. CONDITIONS TO BE MET BY APPLICANTS

(3.1) The right to financial compensation may be exercised by a legal entity or a natural person with headquarters in another country, Member State of the European Union, partner country of the European Economic Area, or a third country that is registered for film or television production, and an executive producer based in the Republic of Slovenia that has concluded a contract for the realisation of a film or audiovisual work in the territory of the Republic of Slovenia with a legal entity or natural person based in another country, Member State of the European Union, partner country of the European Economic Area, or a third country registered for film or television production while meeting the following conditions:

- the recipient of the financial compensation shall arrange for properly regulated copyright for the project;
- the recipient must have completed at least one project in the last three years that has been screened in cinematographic distribution or broadcast in the media as per the act governing the audiovisual media services;
- the recipient shall present the expenditure related to the project in the Republic of Slovenia and must have settled the liabilities arising from taxes and contributions in the Republic of Slovenia and in the country of their headquarters or permanent residence.

(3.2) Legal entities or natural persons based in another country, Member State of the European Union, partner country of the European Economic Area, or a third country that are linked with legal entities or natural persons registered for film and television production in the Republic of Slovenia shall not be entitled to financial compensation as determined in Article 4 of the ZSFCJA.

(3.3) In the case of an international co-production of a project, where one of the co-producers is a legal entity or a natural person registered for film and television production in the Republic of Slovenia, the beneficiary shall be the Slovenian co-producer.

(3.4) As per Articles 1 and 2 of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in the application of Articles 107 and 108 of the Treaty Text with EEA relevance (OJ L 187, 26 June 2014; hereinafter: Commission Regulation (EU) No 651/2014), the following entities shall not be entitled to financial compensation:

- companies in difficulties or in case they receive rescue and restructuring aid;
- legal entities or natural persons that have not settled all liabilities arising from a preliminary decision of the European Commission on declaring aid unlawful and incompatible with the internal market;
- legal entities or natural persons who themselves or their affiliated parties as per Article 4 of the ZSFCJA have not settled their outstanding liabilities arising from taxes and contributions.

(3.5) To acquire the right to financial compensation, a legal entity or a natural person based in a third country and registered for film and television production shall enter into a contractual relationship with an executive producer based in the Republic of Slovenia that shall manage the shooting, production, and/or post-production of a project in the Republic of Slovenia.

4. INDICATIVE VALUE OF AVAILABLE FUNDS EARMARKED FOR PUBLIC CALL

(4.1) As per Article 17b of the ZSFCJA, the funds for granting subsidies shall be provided for from a special budget heading in the amount determined by the ministry responsible for culture and within deadlines determined for drafting the budget of the Republic of Slovenia, and will be paid according to the availability of finances at a dedicated budget heading (7.10).

(4.2) The indicative value of available funds earmarked for financial compensation shall be EUR 1,000,000. The funds shall be ensured from the budget heading for promoting investments in audiovisual production.

(4.3) The sum of financial compensation shall amount to a maximum of 25 per cent of the total recognised costs for the implementation of the production of an individual project incurred in the territory of the Republic of Slovenia.

(4.4) Value added tax shall not be included in the basis for the calculation of financial compensation.

(4.5) Financial compensation shall constitute state aid for the production of projects that are eligible for financial compensation as per the conditions and provided documentation. State aid according to this public call shall be allocated as per the scheme [Spodbujanje vlaganj v avdiovizualno produkcijo \(Promoting investments in audiovisual production\)](#) (notification no.: BE01-2399342-2017), extended until 31 December 2023. In case the scheme is substituted, the state aid shall be allocated by the new scheme.

(4.6) The services of the Viba Film Studio in Ljubljana, which are considered eligible costs, shall not be considered as part of state aid when implementing the financial compensation scheme.

(4.7) In the case of other resources from state aid schemes, the funds shall be aggregated regarding the permitted amount of financial compensation.

(4.8) The amount of state aid shall not exceed 50 per cent of all costs declared for the production of the project.

(4.9) In the case of a low-budget or a demanding project, state aid may amount to no more than 80 per cent of all eligible costs declared for the production of the project.

(4.10) A demanding film or an audiovisual work shall be a project defined as a demanding film in 8. indent eight of Article 4 of the ZSFCJA.

(4.11) If the project involves international production financed by more than one Member State and producers from more than one EU Member State, state aid may amount to no more than 60 per cent of all eligible costs declared for the production of the project.

(4.12) Eligible costs shall be defined in the Annex, "Eligible costs", which is an integral part of this public call.

5. ACQUISITION OF FORMS AND INFORMATION ON PUBLIC CALL

(5.1) The electronic form of application documentation that the applicants can print out themselves shall be equivalent to printed forms. The public call and forms may also be ordered from the Slovenian Film Centre, a public agency of the Republic of Slovenia, at the phone number provided below, and are sent by mail free of charge. A written request for the aforementioned documentation may also be sent to: Slovenian Film Centre, a public agency of the Republic of Slovenia, Miklošičeva 38, 1000 Ljubljana.

(5.2) The information about the public call may be obtained by phone (+386 1 234 32 00) during the agency's business hours, i.e. every working day between 9:00 and 15:00, or by e-mail to martin.steblovnik@sfc.si. Mr Martin Steblovnik (in his absence: Mrs. Ksenija Zubković) shall be responsible for this public call at the Slovenian Film Centre.

6. APPLICATION METHOD AND DEADLINES

(6.1) For this public call, applicants shall submit an application to claim the right to financial compensation to the Slovenian Film Centre, a public agency of the Republic of Slovenia. The deadline determined by the Article 6 of the Rules on promoting investments in audiovisual production, begins counting for each project from the day of submission of application in the year 2021.

(6.2) The applicants shall submit their written applications referred to in the preceding point on prescribed forms with all supporting documents and attachments by hand or by mail to: Slovenian Film Centre, a public agency of the Republic of Slovenia, Miklošičeva 38, 1000 Ljubljana. The application shall include an electronic application on a USB/CD/DVD device or in the PDF format.

(6.3) Applications shall be considered according to the order of their receipt and according to the rule in force at the time of submission of application. The official of the agency receiving the applications shall clearly mark the date and time of the submission of the application or the date and time when the application was posted by mail on each application. All supplements or amendments to the application shall be recorded in the same manner. Applications shall be opened by an agency official.

(6.4) The application shall include the following mandatory elements:

- name and size of the legal entity and the number of the transaction or business account (application form);
- estimated value of the project and sources of finance;
- cost estimate of filming, production and/or post-production of the project in the Republic of Slovenia with a list of anticipated costs;
- logline, synopsis and screenplay in the case of a feature project; synopsis and substantive concept for documentary projects; artistic concept, screenplay and storyboard for animation projects;
- schedule of production and post-production;
- evidence of regulated copyright and related rights of the project concerned;
- list of all Slovenian co-authors, authors of contributions and Slovenian cast in the relevant project;
- list of all Slovenian technical operators and co-workers in the production and/or post-production section;
- the use of technical capacities in the Republic of Slovenia (number of anticipated filming days in the Republic of Slovenia and possible audio and/or video post-production) as per the total scope of filming, production and/or post-production;

- contract between the principal producer and the executive producer if one has been concluded;
- evidence from the competent authority on the settlement of all outstanding taxes and contributions in the Republic of Slovenia or abroad if the agency is unable to obtain such data *ex officio*;
- evidence on public broadcasting of at least one project of the applicant in regular cinematographic distribution or in the media in the last three years, as per the act governing audiovisual media services, in which the applicant or their partner or legal representative participated as the principal producer or as a partner or legal representative of the principal producer.

(6.5) If the application is incomplete, the competent agency official shall ask the applicant who is the beneficiary as per the conditions of points 3.1 to 3.5 of this public call to supplement the application. The applicant must be informed in the request to supplement the application that the order of the receipt of an individual application shall be determined after the application has been completed.

(6.6) If the applicant fails to supplement the application within the deadline determined in the request to supplement the application, the agency shall dismiss the application as incomplete.

(6.7) If the applicant is not a beneficiary, the director shall issue a decision on dismissal.

(6.8) The applicant has the right to complain against the decision on dismissal within 15 days of its issuing. The complaint shall be decided on by the ministry responsible for culture.

(6.9) The competent official shall compose a record of applications, which shall include the order of their receipt and their codes, titles or names of applicants, and titles of projects. Complete applications shall be discussed by the expert programme committee (hereinafter: EPC).

(6.10) Complete applications of beneficiaries shall be discussed by the EPC as per the conditions from points 2.1, 2.2 and 2.3 of this public call, which shall implement the cultural test determined in point 2.4 of this public call. No later than 15 days after receiving the applications referred to in the preceding point, the EPC shall make its proposal to the agency's director, which shall include reasoned assessments and an opinion on whether the application is to be confirmed or rejected, and a financing proposal.

(6.11) Applications that fail to receive the minimum number of points as per point 2.4 of this public call – or if the project is assessed as ineligible by the EPC as per points 2.1 and 2.2 of this call – shall be rejected.

(6.12) If over 50 per cent of points are obtained as per point 2.4 of this public call, this shall not affect whether the applicant receives the right to financial compensation.

(6.13) Based on the EPC's proposal, the agency's director shall issue a decision on the right to financial compensation within 15 days of receiving the proposal. A complaint submitted to the ministry responsible for culture shall be permitted against the agency's decision 15 days after its issuing.

(6.14) Based on a decision to grant the right to financial compensation, the agency shall submit to the operator a contract, which must be returned to the agency no later than 15 days from its receipt, or it shall be understood that the operator has withdrawn from the co-financing of the project from the public resources, that the contract was not concluded, and that the agency is free of any liabilities arising from the decision.

(6.15) No later than 90 days after the completed production of a film or an audiovisual work in the Republic of Slovenia, the beneficiary shall submit to the agency the prescribed documentation proving that all

prescribed conditions for the payment of financial compensation have been met, that all declared costs have been eligible, that the relevant contributions and taxes have been paid, and that no substantial deviation from the project has occurred.

(6.16) Within the deadline determined for drawing up the budget of the Republic of Slovenia in September of the current year, the agency shall inform the ministry responsible for culture of the amount of resources for financial compensation for the following year.

(6.17) When deciding on granting the right to subsidy, the procedure shall apply as it is laid down in the ZUJIK, ZSFCJA, the General Administrative Procedure Act (Official Gazette of the Republic of Slovenia [*Uradni list RS*], Nos. 24/06 – official consolidated text, 105/06-ZUS- 1, 126/07, 65/08, 8/10 and 82/13) and the Rules.

(6.18) As per paragraph two of Article 2 and point one of Article 28 of the Administrative Fees Act (Official Gazette of the Republic of Slovenia [*Uradni list RS*], Nos. 106/10 – official consolidated text, 14/15 – ZUUJFO, 84/15 – ZZelP-J and 32/16), the application and decision on granting the right to a subsidy shall not be subject to the payment of tax.

(6.19) By submitting the application, the applicant agrees to all the terms and conditions of this public call.

(6.20) This public call shall be open until the resources have been disbursed (until the publication of its closing), but not longer than until 27 September 2021.

7. CONDITIONS FOR THE PAYMENT OF SUBSIDIES

(7.1) A project that is subject to the right to financial compensation according to this public call shall be deemed completed after all the activities laid down in the contract have been implemented.

(7.2) No later than 90 days after the completed production and/or post-production of a film or an audiovisual work in the Republic of Slovenia, the operator shall submit to the agency the final report proving that all prescribed conditions for the payment of financial compensation have been met, that all declared costs have been eligible, that the relevant contributions and taxes have been paid, and that no substantial deviation from the project occurred as determined in point 7.6 of this call.

(7.3) The final report referred to in the preceding point shall include:

- a form requesting the payment of financial compensation;
- a statement from the competent authority on the settled outstanding liabilities arising from taxes and contributions;

- a total settlement of accounts and documentation of eligible costs and expenditure incurred for the production and/or post-production of the project in the territory of the Republic of Slovenia, approved by an authorised auditor;
- the final list of the technical and creative cast, with the provision of participating countries;
- an approved contract concluded between the principal producer and the executive producer if such a contract was concluded and if changes in shares occurred;
- information on scheduled public broadcasting of the project by the distributor or the provider of audiovisual media services.

(7.4) The agency shall be obliged to examine the potential duplications of costs if the recipients of financial compensation are legal entities or natural persons co-financed by the agency based on other public tenders or public calls. If the agency suspects a duplication of costs, it shall request the beneficiary to provide a clarification on whose basis the agency can then decide whether the payment is justified and in what amount, or it shall withdraw from the contract and not pay the financial compensation.

(7.5) Each supporting document shall clearly display a direct connection with the implementation of the project. When examining the request for payment, the agency may ask for additional clarifications or a statement proving the occurrence of costs regarding the project's implementation from the recipient of resources for any expense for which the agency could find no direct connection between the occurrence of the cost and implementation of the project, irrespective of whether a connection actually existed. If, despite the clarification or statement, a direct connection is not evident, the agency shall reserve the right to refuse to recognise the cost.

(7.6) The agency shall verify the compliance of the documentation referred to in point 7.3 with the operator's application based on which the operator was entitled to financial compensation. The operator is obliged to inform the agency immediately if a delay occurs during the filming, production, and/or post-production of the project or in the case that the estimated value of the project changes in the section that refers to financial compensation. If the deviation of the declared eligible costs incurred in the Republic of Slovenia from the reported estimated value is above or below 10 per cent, the agency shall verify the suitability of the project as per the application and the amount of eligible costs, while observing the permitted amount of state aid.

(7.7) If the agency establishes that the realised project deviates significantly from the project for which the decision was issued to the extent that it would no longer obtain the minimum number of points from point 2.4 of this public call, or if it is determined after the review of the final statement of accounts of the production and/or post-production that the obligations arising from the operator's application have not been met, the agency shall withdraw from the contract.

(7.8) If a lesser use of eligible funds is established and if, according to points 2.1, 2.2, 2.3 and 2.4 of this public call, the project is still suitable, financial compensation in the actual amount of eligible costs incurred shall be paid.

(7.9) For the payment of financial compensation, the operator shall have, or shall open, a bank account in the Republic of Slovenia, and shall manage the project according to the principle of cost accounting.

(7.10) Based on complete documentation, the agency shall issue a certificate to the operator and a request on whose basis the ministry responsible for culture shall pay the financial compensation from a

dedicated budget heading within the deadlines determined for the payment of budgetary resources to the business account of the operator, who must also be the holder of eligible costs.

(7.11) The recipients of financial compensation shall state in the project programme and promotional materials that financial compensation in the Republic of Slovenia was obtained for the project and shall use logos of the ministry responsible for culture and the agency.

8. SUPERVISION

(8.1) The Slovenian Film Centre, a public agency of the Republic of Slovenia, shall have the right to verify the compliance of the documentation and project implementation with the provisions of this public call and the applicable regulations at any time in the period from when the decision granting the subsidy was issued until ten years after the subsidy payment by means of inspection, verification of documentation, or in any other way, including the observance of the manner of informing the public that the subject of the contract was co-financed by the Republic of Slovenia. If a violation of the provisions of this public call or a violation of regulations or provisions of the contract on subsidy payment is established, the recipient of the subsidy shall be obliged to return the funds received to the ministry responsible for culture in the Republic of Slovenia, together with statutory default interest calculated for the period from the receipt until the repayment of the unjustifiably received subsidy.

9. PERSONAL DATA AND TRADE SECRETS PROTECTION

(9.1) The protection of personal data will be ensured in accordance with applicable law. All data from the applications that the Commission opens are information of public nature except those that are specially marked by the applicants, namely trade secrets, personal data, and other exceptions from Article 6 of the Public Information Access Act (Official Gazette of the RS, No. 51/06 - Official Consolidated Text, 117/06 - ZDavP-2, 23/14, 50/14, 19/15 - Dec. US, 102/15 and 7/18 (hereinafter: ZDIJZ) that are not publicly accessible and thus not disclosed or made available to the public. Trade secrets may relate to a single item or part of an application but may not relate to the entire application. Applicants should explain why individual information may not be made available to the public as public information. If the applicant does not mark and explain such information in the application, the Agency shall assume that the application does not contain trade secrets, personal data, or other exceptions from Article 6 of the ZDIJZ.

NOTIFICATION

The implementation of this public call depends on the budgetary capacities of the Republic of Slovenia. If changes to the state budget occur that directly impact the implementation of the public call, the agency shall be obliged to take action in accordance with the changes to the state budget.

If the scope of funds earmarked in the state budget for the implementation of this public call is reduced during the implementation of this public call to the extent that no longer enables the fulfilment of the objectives of this public call, the agency may, for this reason, stop the procedure of the public call or, if the selection of projects has already been completed, reduce the scope of co-financing as per the changes to the budget, or change or terminate the contracts already concluded pursuant to this public call.

Nataša Bučar
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a public agency of the Republic of Slovenia