

## **Viru Film Fund Statutes**

### **I. General Provisions**

These statutes establish the operating procedures and terms for granting and using support provided by the Viru Film Fund. The fund aims to diversify business activities in Ida-Viru County, promote the production of professional audiovisual works, attract investments, and enhance the visibility of Ida-Viru both domestically and internationally. The fund is managed by the Ida-Viru Business Center Foundation (IVEK), which handles application reception, information publication on its website, forwarding applications to an Expert Committee, organizing the Council's work, signing co-financing agreements, verifying reports, and making payments.

### **II. State Aid**

The Viru Film Fund support may qualify as:

- State aid, as per the Competition Act, §30(1), governed by §342 of the same act and European Commission Regulation (EU) No. 651/2014, which declares certain types of aid compatible with the internal market under Articles 107 and 108 of the Treaty.
- De minimis aid under the European Commission Regulation (EU) No. 1407/2013, ensuring the aid amount does not exceed 200,000 euros over the year of application and the two preceding fiscal years.

State and de minimis aid will not be granted to applicants who are subject to an outstanding recovery order due to previous unlawful or misused aid or who are classified as companies in difficulty under the relevant EU regulations.

### **III. Application Invitation**

IVEK publishes the support application conditions and related information on its website, as well as on the Estonian Film Institute website and other channels when possible. Applications are accepted twice yearly, with submission deadlines on April 1 and October 31. If financial resources are insufficient, the fund reserves the right not to open an application round, and conversely, may hold additional rounds if resources permit.

### **IV. Eligible and Ineligible Costs**

Eligible costs must be directly related to the supported film project and may include:

- Accommodation and lodging services,
- Rental of equipment necessary for film production,
- Transportation services,
- Catering services,
- Construction services for production preparation,
- Security and utilities,
- Rental of premises,
- Purchase of various goods (e.g., props),
- Creative services (e.g., provided by authors),

- Administrative expenses (e.g., office services),
- Producer fees up to 7% of the total support amount,
- Wages for local participants in film production, capped at 50% of total eligible costs.

Ineligible costs include:

- Producer fees exceeding 7%,
- Costs for film studio infrastructure in the Jõhvi creative industry incubator,
- Bank fees and interest,
- Minor expenses under 10 euros,
- Cash transactions,
- Any costs not intended or necessary for the film project.

#### V. Application Submission

Applications are received in two rounds each year, by April 1 and October 31. Application rounds are announced one month prior to the deadlines. Applications must be submitted electronically and signed by an authorized representative of the applicant. Projects that have already been completed at the time of application are ineligible for support.

#### VI. Application Evaluation and Results Disclosure

The evaluation of applications involves a three-stage review by an Expert Committee:

1. Ensuring compliance with formal requirements,
2. Assessing alignment with the goals of the Viru Film Fund,
3. Summarizing and determining the maximum co-financing level.

The Council, upon receiving recommendations, decides on each application. Approved applications are published on the Viru Film Fund website after project implementation.

#### VII. Co-Financing Agreement

IVEK signs a co-financing agreement with the applicant after all conditions have been met. The fund reserves the right to adjust the support amount according to available financial resources. Projects are prioritized based on the level of expenses anticipated in Ida-Viru County. The agreement specifies the project's timeline, planned expenses, maximum co-financing rate, and other binding conditions.

#### VIII. Disbursement of Support

Support is disbursed following project completion and submission of a cost report with relevant documentation, reviewed by IVEK and the Council. Payments are made within 14 working days of the Council's approval, subject to verification that costs align with the agreement.

#### IX. Applicant's Rights and Obligations

Applicants have the right to withdraw their application. They are obligated to ensure the accuracy of the information provided, comply with the statutes, and adhere to procurement principles for purchases over 20,000 euros.

#### X. Monitoring Measures

IVEK has the authority to involve experts in evaluating the conformity of project implementation with the application and to verify eligible costs.

#### XI. Final Provisions

Upon signing the co-financing agreement, the recipient must include the Viru Film Fund name or logo in the film's credits and promotional materials. IVEK and Viru Film Fund partners receive non-commercial usage rights for promotional purposes, including digital copies, photos, and trailers of the supported film. Decisions regarding the granting and payment of support may be appealed to IVEK.