

December 2, 2024

Production incentive for audiovisual industry**Changes to funding terms and conditions in 2025**

The changes shown in bold below have been made to the funding terms and conditions.

In Section 4 Production coordinator, references have been added to the contractual relationship between the funding beneficiary and the production coordinator. Note to this point: production coordinator refers to a production coordinator company.

In Section 7 Payment of funding, a reminder has been added to the maximum amount of the Finnish costs of the incentive, and the new minimum spending amounts in euros have been updated.

4 TUOTANTOKOORDINAATTORI

If the beneficiary is a foreign company, the Funder requires that the beneficiary concludes a written service contract with a production coordinator who has a Finnish business ID. **In that agreement, the beneficiary must also oblige the production coordinator to comply with these funding terms and conditions, excluding the purchases from other companies in the same group or associated companies in section 15.**

In the contract, the foreign company must agree that the Funder will disclose all documentation related to the funding decision to the production coordinator as well.

Both the beneficiary and the production coordinator must keep accounting records according to these funding terms and conditions. The contract must include a clause that obliges the production coordinator to keep a record of the production costs for project accounting purposes (cost breakdown in a specific format) and to prepare an auditor's report of the actual costs. **The agreement must also include a section in which the production coordinator commits that Business Finland also has the right to audit the production coordinator's operations and accounting records in accordance with section 22.**

The production coordinator hires employees, acquires services for the beneficiary, and pays wages and salaries and the invoices of service providers. The coordinator charges the beneficiary for the paid salaries, invoices and the coordinator's own fee. The coordinator prepares and maintains a cost specification, as instructed by the Funder. The beneficiary and the production coordinator agree on the terms of payment and payment schedules. The Funder will not provide the funding if the cost breakdown and auditor's report are not submitted to the Funder within the specified time frame.

The beneficiary is fully responsible to the Funder for the correct use of the government grant and compliance with these terms and conditions, also with regard to the production coordinator.

7 PAYMENT OF FUNDING

Funding will not be provided if the production does not meet the minimum requirements of the funding decision. The minimum requirements are stated on Business Finland's website, too. The incentive may be for a maximum of 80 percent of the total production budget. If the production is carried out at a cost lower than the cost estimate, the beneficiary must confirm that the costs submitted for approval for the production do not exceed 80 percent of the total production costs.

Minimum spending in Finland:

- a) Feature film: **500,000 e**
- b) Documentary film: **500,000 e**
- c) Serial fiction and animation: **500,000 e**

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Minimum overall budget for the production:

- a) Feature film: 2,500,000 e
- b) Documentary film: **650,000** e
- c) Serial fiction and animation: **11,500** e/minute

We would also like to remind you that when making agreements, the requirement regarding the termination clause in section 9 related to monitoring the effectiveness of funding must be taken into account if the order or agreement has been made before submitting the application to Business Finland:

9 ELIGIBILITY OF COSTS

To ensure the effectiveness of the funding, only procurements and work ordered or agreed upon in writing after submitting the funding application are approved for the project. In exceptional cases, the procurement ordered for the implementation of the project before submitting the funding application can only be accepted if the order or contract contains a clause stipulating that the procurement will be canceled if the funding decision is negative. Even then, the costs are only eligible from the date of submission of the funding application at the earliest.

The changes will enter into force on January 2, 2025.

For more information, please contact:

Merja Salonen
Chief Funding Advisor
merja.salonen (at) businessfinland.fi
+358 50 557 7974

Petteri Halme
Senior Funding Advisor
petteri.halme (at) businessfinland.fi
+358 50 557 7941

Laura Westerberg
Senior Funding Advisor
laura.westerberg (at) businessfinland.fi
+358 50 557 7991