

Answers to Overflow Questions from Screen Sector Recovery Package Webinar 8 July 2020

\$13.4M Recovery Fund related:

 What is the process for individual productions to trigger the rescue package funding and the anticipated timeline?

The guidelines will be available in around 8 weeks and will clarify eligibility criteria in detail. They will also indicate how to apply. Applications will be via the NZFC's application portal and a 6-week turnaround is expected. It is likely that it will be a rolling fund with no deadline -particularly for requests below \$100K. For those above that figure a panel structure will be set up and details of that will be included in the guidelines.

• What is Leanne's definition of 'higher level' when it comes to the recovery fund?

Leanne was referencing that projects with claims below \$100,000 may be able to be processed without a panel. Claims with 'higher level' requests - above \$100,000 - will need to go to a panel, but in any case, it is expected that the turnaround on applications will be approximately 6 weeks.

NZSPG Related:

Do Covid costs include additional interest on NZSPG loans?

Any interest claimed as QNZPE will still need to meet clauses 16.3(g) and/or 21.2 of the criteria (i.e., the interest cap and the rules for accrued interest will continue to apply).

During lockdown there was talk of the QNZPE or TPE threshold potentially lowering from \$2.5M.
 Where is this at?

There won't be an "across the board" lowering of any QNZPE/TPE thresholds, but upcoming provisions within the NZSPG-NZ COVID criteria will include some NZSPG Panel discretion in this area, to be considered on a case by case basis. Applicants will need to clearly demonstrate the reasons why a production that was anticipated to meet the relevant threshold is no longer able to do so.

 Do you have any indication from government about relaxing the market requirement of 10% for NZ films aiming to qualify for NZSPG?

Again, there won't be an "across the board" lowering of the 10% market attachment requirement, however the upcoming provisions being added to the NZSPG-NZ COVID criteria will also include some Panel discretion in this area, to be considered on a case by case basis. Applicants will need to clearly demonstrate that they have taken reasonably practicable steps to meet this requirement.

 How quickly will interim SPG applications be able to be processed? and at present can final applications be any faster (given all currently behind schedules)?

Interim applications are assessed in the same way as Final applications, so the current 3-month turnaround is likely to apply. Where possible, we are doing our best to complete assessments as quickly as we can.

\$50m NZFC/NZ On Air Premium Drama Fund related:

• Is the \$50m a one off or ongoing fund? This is a one-off fund with \$50M offered over 2 years • Is there any assurance that there is money allocated for feature and television projects that will enrich the film culture of NZ, rather than projects that are made more specifically for commercial success?

The guidelines will indicate that a balance of these issues will be taken into consideration. Ideally both are served as some of NZ's most globally successful projects have strong cultural significance.

- Will the \$50m fund be available to Factual and Feature documentaries? No, it is a "Premium <u>Drama</u> Fund".
- Are there an any allocated funds for development of scripts, writing of the first draft?

 This has not been decided as yet but the focus of the fund will be on production and we expect drama projects will require a defined level of advanced development to be eligible for this fund.

Both agencies already invest in a significant number of development opportunities; available from the NZFC (<u>here</u>) and NZ On Air (<u>here</u>). On top of that funding, development support is available through industry organisations like NZWG and Script to Screen.

- What is the rationale regarding not sharing the \$50m between more projects?

 This fund is for premium high budget dramas and as such cannot fund a high number. The number referenced by Government was five, but it is possible we will expand on that number subject to finance plans across the range of projects that may apply.
- Will NZSPG be available to projects that access the premium drama fund?

 We are still finalising the approach to this. Typically, drama series are specifically excluded from accessing Agency funds and NZSPG. Features typically can, but in both cases we will be working with the Ministry to confirm what the Government's position is on this.
- Is part of that \$50m going to be specifically dedicated towards kaupapa Māori?

 We expect and encourage many applications from Māori filmmakers and believe that Māori content and Māori led projects as per NZFC's Te Rautaki Māori objectives and demonstrated by the likes of The Dead Lands will meet the fund's eligibility criteria and international audience and financing ambitions.
- Will NZFC consider Animated scripted drama projects and feature films?

 This is under consideration but was not part of the initial government proposal for the fund. The prioritisation of live-action projects with larger employment opportunities for New Zealanders is a key focus of the fund.
- High-end TV drama is often initiated by and produced by writers, the showrunner model being the example. Are experienced writers going to be able to secure funding without producers attached? While Showrunners are often writer-producers or the creator of the project, they are not always the person that sets up the finances. Credited producers who lead financing will be eligible applicants for this fund as they will need to set up the multiparty finance plan so that the project is eligible/ready to apply. Many key showrunners attach to major production companies in order to get their projects financed. Naturally any showrunner/producer/writer with that kind of financing experience and credits could apply and confirm their eligibility in that regard.
- Will NZOA manage the TV dramas and NZFC the films, or is the responsibility shared? NZOA has more experience/history in the TV drama area, so will NZFC need to hire a specialist person, if this is a shared responsibility?

The overall management of the fund will be done in partnership between the two agencies - as was the case with the recent Raupapa Whakaari Series Drama Development scheme. The NZFC and NZOA will administer these funds jointly. The NZFC is very experienced in managing multi party finance deals and contracting and in the case of this fund, the projects will likely require that kind of structure. Naturally, there will be external assessors with international market experience participating in this programme.

• if you're not funding TV series drama development and require projects to come to you at an advanced stage then doesn't this limit the new fund to only large established production entities who can afford to invest in this development themselves?

Both agencies do fund series drama development through other major funds. The NZFC has funded the development of drama series over the past few years including most recently via the Boost programme and Raupapa Whakaari (with NZOA). NZ On Air has significant development investment in domestic drama production. We expect that production companies and creators will form partnerships as they always have.

This fund is designed to appeal to New Zealand and international audiences and attract other finance from global screen content entities. Production entities that may have the funds for development also have another key advantage - existing relationships with broadcasters, streamers and financial backers which puts them in a strong position to progress viable projects towards this fund. However we also seek to ensure a broad range of credited producers expand and strengthen their relationships with the market and the NZFC has recently hosted a series of virtual meetings with international sales agents, financiers and streamers. So far 28 producers connected with 21 sales agencies across 121 meetings. 18 producers are currently meeting with 21 financiers across across what will be approximately 104 meetings. Streamer meetings etc Meetings such as these, between a broad selection of New Zealand producers of features and series ensures a strong connection with the market for those producers and their creative teams.

Talent Development related:

- Are Fresh Shorts and Catalyst still going ahead this year? Yes. All the NZFC's usual programmes will continue to run.
- Regarding internships and placements how is the NZFC managing these? There are lots of international productions starting in the next few months. Have you managed to secure attachments on many of those?

We continue to work with all the international and domestic productions to create opportunities for attachment and internships for NZ talent. We have a good track record of achieving this on the majority of productions and will continue to do this over the coming year.

• Can you offer more information about the new content by new and emerging filmmakers supported by the Cultural Sector Capability Fund?

We are still developing the plans for this, but we anticipate this will most likely be an online programme, an opportunity for new and emerging NZ talent to develop their skills and engage with new audiences through the creation of short content.

• When it comes to capability funds and specifically creating new content - will the funds include low budget feature films content or only short film content?

Feature films at any budget level are funded through the NZFC's Production Investment programmes.

• Is project development considered part of capability building by MCH or NZFC? If not can you talk through why not please?

Project development is covered by the NZFC's usual development programmes. Capability is not focused on individual projects, it is more focused on sector wide support.

General questions:

• How is NZFC looking to support film makers to transition into Virtual Productions and interactive projects and how would these funds be utilized for implementation of emerging technologies and new film makers keeping in mind the convergence of remote working and cross pollination with the gaming industry and gamification methodology?

The NZFC have run the Interactive Development Fund (IDF) for the past 3 years. We continue to be committed to this area of work and are currently in the planning phase of how we continue with this support while developing it to meet the needs of the sector. We have also supported the NZGDA to offer mentorships to help talent progress. Outside of this dedicated IDF funding talent working or wanting to work in the interactive space are eligible to apply for our TD grants, scholarships and On the Job development funding throughout the year.

- Is the Raupapa Whakaari funding earmarked for already-chosen projects or is it open selection? Raupapa Whakaari was a 2019 fund and workshop. Projects can come from anywhere subject to eligibility.
- Who will be selecting the RW projects?

These projects were selected for development last year. The teams behind these projects may choose to apply for the Premium Drama Fund and will be assessed alongside all other applicants and subject to the same criteria.