



New Zealand
FILM COMMISSION



Te Tumu Whakaata Taonga

Extended Screen Production Recovery Fund

Protection Framework Strand

Guidelines for Applicants

March 2022

Please read these guidelines carefully as they set out important eligibility and assessment criteria and are intended to help you deliver the strongest application possible.

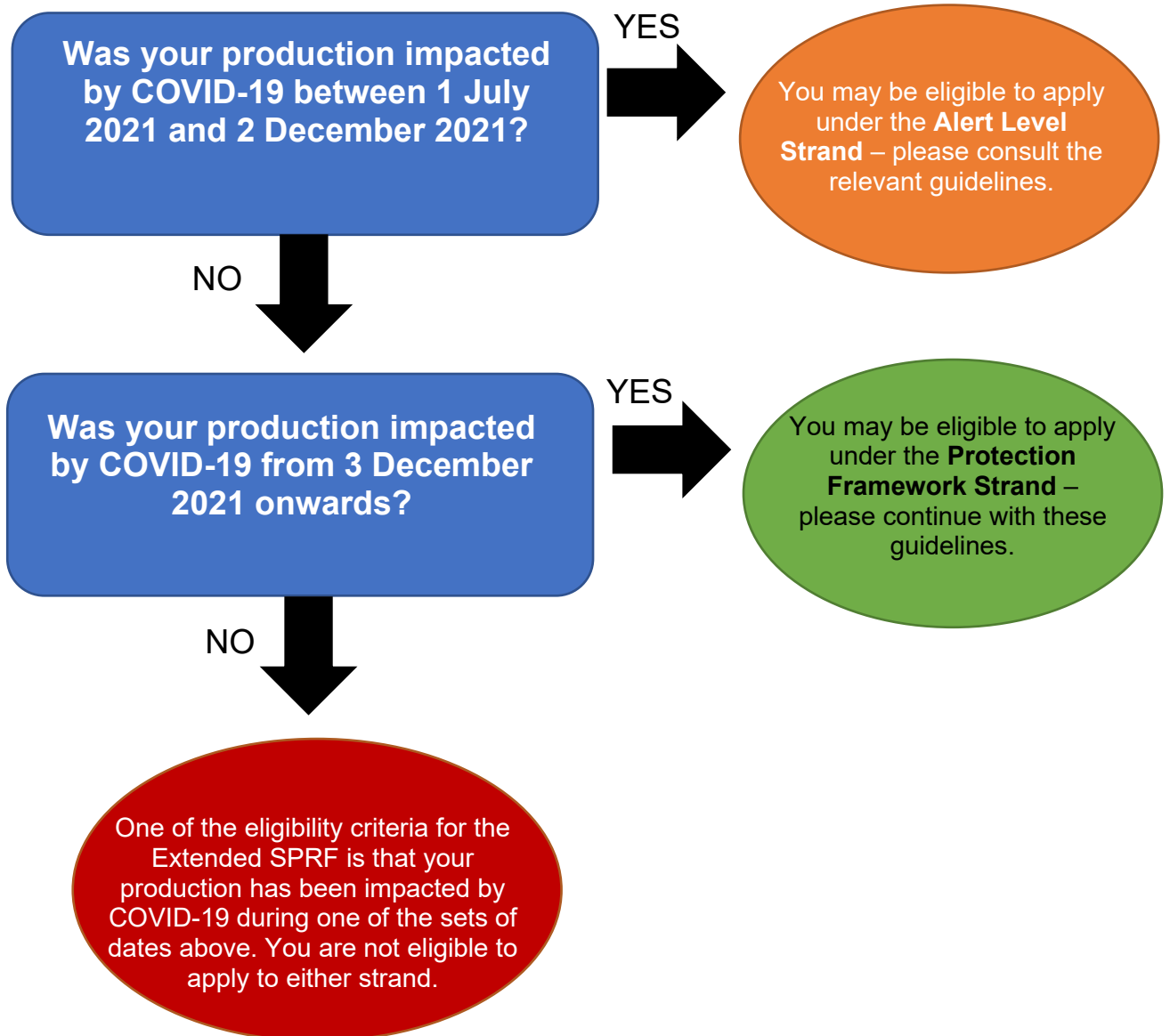
If you have any questions regarding these guidelines and your application, please email screenrecovery@nzfilm.co.nz

Please also refer to the [NZFC COVID-19 Policy](#)

Extended Screen Production Recovery Fund – Which strand?

On 3 December 2021 the Government moved the country into the new COVID-19 Protection Framework, replacing the four-level alert system. As a result, the Extended Screen Production Recovery Fund has been split into two strands – the 'Alert Level Strand' and 'Protection Framework Strand'.

To determine which strand of the Extended SPRF your production may be eligible to apply to, follow the flow-chart below:



Please get in touch before making an application

To avoid any confusion and to help clarify your specific needs please email us on screenrecovery@nzfilm.co.nz to arrange a call with the Screen Production Recovery team.



Extended Screen Production Recovery Fund - Protection Framework Strand

Guidelines for Applicants

The following guidelines are for the Extended Screen Production Recovery Fund - Protection Framework Strand. If your production was impacted by COVID-19 between 1 July 2021 and 2 December 2021 please refer to the Extended Screen Production Recovery Fund – Alert Level Strand Guidelines.

The Extended Screen Production Recovery Fund – Protection Framework Strand (**Fund**) has been extended by the New Zealand Government to support NZFC-funded and NZSPG-New Zealand productions impacted by COVID-19 from 3 December 2021 onwards. The Fund will run until 31 January 2023. Applications can be submitted up until Tuesday 28 February 2023.

As the industry has adjusted to filming within the revised protocols and practices associated with mounting a production in a COVID-19 environment, applicants can only apply for additional costs that are explicitly attributable to a COVID-19 Event during pre-production, production, or post-production.

For the purposes of the Fund, a **COVID-19 Event** means:

- Any delay or disruption to the project caused by restrictions under the COVID-19 Protection Framework; or
- Any delay and/or disruption to the production caused by cast or crew members testing positive for COVID-19 or identifying as a close or household contact of someone else with COVID-19 and therefore having to go into isolation.

Many costs that were previously covered by the Screen Production Recovery Fund are now considered “business as usual” and are excluded. See sections ‘What you can apply for’ and ‘Costs you cannot apply for’.

Funding offered to a production will be capped at 10% of the original production budget ‘Below The Line’ total (see ‘How much you can apply for’ for definition). Short films are excluded from the 10% Funding cap; Funding offered to short films will be capped at \$15,000 per project.

Applications will be considered for New Zealand based screen productions that want funding to cover New Zealand-based losses during pre-production, production and post-production due to a COVID-19 Event that occurred between 3 December 2021 and 31 January 2023.

This includes productions that have registered for the NZSPG-New Zealand on an NZSPG registration form or have applied for or been issued a Provisional Certificate prior to the relevant COVID-19 Event. For clarity, you must meet the requirements outlined in Clause 7 Eligibility for New Zealand Grant in NZSPG Criteria for New Zealand Productions dated 1 July 2017.

Productions included in the Screen Sector Indemnity Scheme are unable to apply to the Fund. Please contact screenrecovery@nzfilm.co.nz to discuss this further.



The NZFC reserves the right at any time to review and vary the conditions of these guidelines.

How the NZFC will make a decision

The Fund is a special purpose discretionary fund that has been established to respond to significant disruption caused by COVID-19. The Fund will be administered entirely at the discretion of the NZFC. For the avoidance of doubt, when applying for funding from the Fund (**Funding**), you acknowledge that your eligibility for Funding, and the amount of Funding you are granted, will be determined solely by the NZFC.

The NZFC will assess each application in context and on its merits. In addition to the eligibility criteria provided to us by the Minister for Arts, Culture and Heritage and the criteria in these guidelines, the NZFC may also have regard, as appropriate to the application, to the purpose of the Fund, the number of current applications, the future pipeline of applications, other support available, and any other matter that the NZFC considers is relevant in all of the circumstances.

For the avoidance of doubt, even in circumstances in which you can demonstrate you are eligible for Funding, you acknowledge that there is no certainty of Funding (whether in whole or in part), and no obligation on the part of the NZFC to pay the full (or any) amount of Funding for which you may be eligible.

In all cases, the decision of the NZFC is final.



Eligibility criteria

To be eligible to apply for Funding, a production must:

- a) be a New Zealand based screen production;
- b) have incurred additional costs between 3 December 2021 and 31 January 2023 due to a COVID-19 Event;
- c) not have been abandoned and must, in the NZFC's opinion, have a reasonable likelihood of being completed;

and

- d) fall within one of the following categories prior to the relevant COVID-19 Event:
 - i) be receiving funding from the NZFC. This may be evidenced by the production having a signed funding agreement with the NZFC or having received a conditional offer for funding from the NZFC; and/or
 - ii) have registered on the NZSPG-New Zealand registration form; and/or
 - iii) have applied for a provisional certificate for NZSPG-New Zealand; or
 - iv) have been issued a provisional certificate for NZSPG–New Zealand.

Who can apply

The applicant must be a New Zealand citizen or permanent resident and either be:


- the same company or individual who is contracted to receive NZFC funding; and/or
- for productions that have received or been offered NZFC funding and/or have registered for the NZSPG-New Zealand on an NZSPG registration form or applied for or been issued with a NZSPG-New Zealand provisional certificate, be the same person or company who has applied for NZFC discretionary funding and/or the NZSPG-NZ.

How much can you apply for

Funding is capped at 10% of the original production budget 'Below The Line' total. Productions can apply to the Fund more than once but only up to a cumulative 10% of the original production budget 'Below The Line' total.

Any previous funding awarded to your production by the Extended Screen Production Recovery Fund since 1 July 2021 will contribute to your 10% funding cap. For the avoidance of doubt, this includes the original Extended Screen Production Recovery Fund launched in September 2021, and the Extended Screen Production Recovery Fund Alert Level Strand.

By original production budget, we mean the budget of the production calculated prior to the first COVID-19 Event when your production incurred costs and for which you are applying to the



Fund. 'Below The Line' total means – total budget less 'Above The Line' costs, original production contingency, bond fees, and any previously awarded Screen Production Recovery Fund grant (the fund that ran from August 2020 to June 2021).

For short films (a short narrative film, which may be live action, animation, or documentary, with a duration of between four and 25 minutes), the total amount of Funding offered will be capped at \$15,000 per short film.

Any previous funding awarded to your short film production by the Extended Screen Production Recovery Fund since 1 July 2021 will contribute to your \$15,000 funding cap. For the avoidance of doubt, this includes the original Extended Screen Production Recovery Fund launched in September 2021, and the Extended Screen Production Recovery Fund Alert Level Strand.

What you can apply for

Funding is available for standard recognised increased costs to budget due to a COVID-19 Event. Costs could relate to those in pre-production, production and post-production that are not covered by insurance or COVID-19 Contingency, including, but not limited to:

- Actual shut-down, suspension and set-up costs;
- Additional travel costs within New Zealand;
- Additional interest payments.
- Costs related to striking and storing sets;
- The cost of surveillance testing (including Rapid Antigen Testing) for productions that have not included this in their production budget provided that the production either:
 - received an offer of NZFC production funding prior to 1 January 2022; or
 - received a provisional NZSPG-NZ certificate prior to 1 January 2022.

Note any related party transactions will be carefully reviewed to ensure that they are commercially reasonable. If the NZFC considers that a related party transaction is not commercially reasonable the NZFC may decline Funding or may make adjustments to reflect the NZFC's view of commercially reasonable terms.



Costs you cannot apply for

Many costs that were previously covered by the Screen Production Recovery Fund are now considered “business as usual” and are excluded.

You may not apply for, and the Fund will not cover:

- Costs of border clearances and managed isolation;
- Costs covered by other Government support mechanisms (including the wage subsidy), including from a pre-approved SPRF grant;
- QNZPE in respect of which an application for the NZSPG–New Zealand has been, is being, or will be, made;
- Costs already funded by third party financiers or investors;
- Costs covered by insurance;
- Costs related to productions that are abandoned;
- Costs incurred outside of New Zealand;
- Bond fees (including any increase to existing bond fees);
- Additional payments for ATL Producers, Directors and Cast who are contracted for an all-inclusive Fee.
- Costs that could reasonably be covered by adjustments to the budget or production plan, or by accessing the contingency or could otherwise be mitigated;
- Anticipated production suspension and shutdown costs;
- Gifts, hospitality and gratuities;
- Capital equipment purchases;
- Third party distribution and sales expenses and materials;
- Foreign exchange loss;
- Financing gaps caused by the withdrawal in part or whole by third party financiers or investors;
- Speculative losses such as sales or distribution income that was anticipated for the project (whether as a result of estimates or otherwise); and
- Costs beyond the capped funding amount of 10% of the production budget ‘Below The Line’ total regardless of eligibility.

A project may access funding from all of the New Zealand Film Commission, NZ On Air or New Zealand Screen Production Grant, but funding may not overlap. In other words, double dipping from Government funding sources is not allowed.



Screen Production Recovery Fund Conditions

If you are successful in applying for Funding, as a condition of receipt of Funding you must enter into an agreement with the NZFC, on terms acceptable to the NZFC (**Grant Agreement**) before Funding will be paid. In the event of any inconsistency between these guidelines, the NZFC COVID-19 Policy, and the Grant Agreement, the terms of the Grant Agreement will prevail.

The Funding will be provided as a grant. A grant does not need to be repaid unless you breach certain conditions of the Grant Agreement. Because grants are subject to GST, if you are GST registered, GST will be added to the grant when it is paid.

By applying for Funding, you agree that:

- you will not make any application for the NZSPG-New Zealand in respect of any QNZPE incurred by you in respect of which you receive Funding as determined by the NZFC in its sole discretion; and
- if and to the extent that you receive Funding and receive, or are eligible to receive, the NZSPG-New Zealand in respect of the same QNZPE, you must repay the Funding as contemplated by the Grant Agreement.

On delivery of the production, you will be required to provide a production cost report and reconciled COVID costs budget to the NZFC detailing how the Funding you received was spent on COVID-19 related expenses. The NZFC reserves the right to audit your expenses and productions will be required to return any Funding to the NZFC as specified in the Grant Agreement including but not limited to Funding that:

- is categorised as “Costs you may not apply for’ above in these guidelines;
- relates to expenses that have been funded by NZ On Air or another government agency in some other manner;
- you recover from another Government source or support mechanism including but not limited to the Screen Sector Indemnity Scheme wage subsidy;
- you recover from another source such as insurance or a completion guarantee;
- has been spent on expenses that are not authorised by the Grant Agreement; and
- has been spent on expenditure that was not included in your application for Funding and you have not obtained the NZFC’s prior approval to apply the Funding to that expenditure; or has not been spent.

Please be aware that if you receive \$100,000 or more in Funding or if you successfully apply to the Fund more than once in respect of the same production, the NZFC will complete an audit of the expenses associated with the Funding.

Submission Checklist

GENERAL ELIGIBILITY

- The applicant is a New Zealand citizen or permanent resident.
- The production is based in New Zealand.
- The production has incurred additional costs due to a COVID-19 Event from 3 December 2021 onwards.
- The production has not been abandoned and must have a reasonable likelihood of being completed.
- The production is receiving funding from the NZFC; and/or has registered on the NZFC NZSPG-New Zealand registration form; or applied for or been issued a provisional certificate for NZSPG-New Zealand.
- The applicant is the same individual or Special Purpose Vehicle (SPV) who has applied for NZFC discretionary funding and/or the NZSPG-New Zealand

DOCUMENTATION REQUIRED

- Details regarding the funding you have been offered (e.g. letter of conditional offer, NZSPG–New Zealand provisional certificate, financing agreement, Acknowledgement of NZSPG registration)
- The original production budget (prior to any increases caused by a COVID-19 Event).
- The original finance plan
- The original production schedule (prior to any changes caused by a COVID-19 Event).
- A cost report detailing all costs incurred as at the date of your application
- COVID-19 Costs Budget – line by line breakdown of costs you are applying to the Fund for - as per the template budget supplied by NZFC
- A written explanation of the impacts to your budget lines and how you have calculated your COVID-19 related costs (on the portal application form)
- All other sources of funding sought, including insurance and government support (e.g. wage subsidies) and their status
- A current finance plan
- Revised production schedule highlighting the relevant COVID-19 Event and any changes made to the schedule.
- Producer warranty that any delay of delivery date has been agreed to by all market partners, financiers, and bond (if applicable)
- Producer warranty that the production has continued its insurance cover (if applicable)
- Producer warranty that production will comply with relevant COVID-19 requirements as per Ministry of Health and Government directives. Refer to the ScreenSafe COVID-19 Health and Safety Protocols
- If the production has significant Māori content, representation, or input provide details of the impacts and other considerations, processes, and engagement with whānau, hapū, Iwi or consultants that are required as a result of COVID-19. E.g.: Changes in venue, additional communication or management on marae, restricted access to ensure protection, awareness and management of elderly and immune compromised community etc. For more information refer to Te Rautaki Māori or check with the Rautaki Māori team.



What we are looking for

Once your application is deemed eligible, it will be assessed for the following:

- Standard recognised increased costs to budget as a result of the COVID-19 Event are separated out from other non-COVID-19 production expenditures. Additional costs and detrimental impact on the production directly resulting from the COVID-19 Event should be clearly identified and an explanation of how these have been calculated should be included in the application.
- The application shows that all other options such as insurance and government assistance have been exhausted to the NZFC's satisfaction.
- Evidence is provided to the NZFC's satisfaction that shows the proposed increased costs cannot reasonably be covered by adjustments to the existing budget or production plan.
- The applicant demonstrates to the NZFC's satisfaction that the plan to deliver the film is realistic and to the same level.

How to apply

Please register your intention to apply via email on screenrecovery@nzfilm.co.nz before making your application. Apply using the online application portal at <https://funding.nzfilm.co.nz/>. Search for 'Screen Production Recovery Fund – Protection Framework Strand' and click 'New Application'. The form will take you step by step through the application process and prompt you to provide all the information required.

You may apply at any time up until 28 February 2023. The NZFC advise that you apply as soon as possible given that Funding is limited.


What happens to your application

Once the application is received, it will be checked for eligibility in line with the Eligibility Criteria in these guidelines. If the application does not meet these requirements, or is incomplete, it will be deemed ineligible, and the applicant will be notified.

If the application is eligible, it will be assessed against the criteria outlined in these guidelines.

Applications up to \$100,000 will be assessed and decided on by the NZFC Chief Executive Officer on recommendation from NZFC Senior Staff.

Applications over \$100,000 will be assessed and decided on by the COVID Sub-committee comprising of representatives of the NZFC Board (or as otherwise determined by the NZFC Board) unless there are policy issues in which case it will be considered by the NZFC Board.



By submitting your application to the NZFC, you acknowledge and agree that your application may be reviewed by an external assessor. External assessors are only reviewing the information provided in your application, so please provide all information necessary to assist with their assessment.

The NZFC will use reasonable efforts to maintain the confidentiality of the information provided by the applicant provided that where the NZFC considers it may be appropriate, the NZFC can discuss any application with NZ On Air. Any information you provide to the NZFC is subject to Official Information Act 1982 (OIA) requests. In processing a request under the OIA, the NZFC may consult with the relevant applicant prior to issuing a response to the request.

Next steps

You may be contacted if we require further information regarding your application.

The NZFC will aim to advise applicants of the final decision no later than six weeks after the NZFC receives a complete application.

If your application is unsuccessful, you will be notified by email.

If an application is successful, the applicant will receive a decision letter from the NZFC detailing our offer of Funding.

Following this, the NZFC will issue a Grant Agreement which, along with any other documentation required by the NZFC, will need to be agreed and signed before the applicant is eligible to receive any Funding and any Funding is released. Once the Funding has been contracted, existing published information will be updated to include the amount of the Funding.

Once the decision letter has been issued, details of the applicant project (including the title of the project and the fact that an offer of Funding has been made to the project) will be published on the NZFC website, in the NZFC newsletter and subsequently in the NZFC's annual report.

Please note that all NZFC decisions are final.

A final reminder that if you have any questions or wish to make an application, please contact us by email at screenrecovery@nzfilm.co.nz

CHANGE LOG: March 2022 the Extended Screen Production Recovery Fund was split into two strands – COVID-19 Alert Level, and COVID-19 Protection Framework. These guidelines include the following updates from the original Extended Screen Production Recovery Fund:

- Eligible costs must be explicitly attributable to a COVID-19 Event from 3 December 2021.
- Funding cap increased to 10% of the original production budget 'Below The Line' total (cumulative total per production).
- Funding cap for short films increased to \$15,000.
- Post-production costs in scope.
- Surveillance testing costs in scope with date exclusion.
- Some rewording for clarity of in and out of scope costs.
- Fund is extended to 31 January 2023, and the date that applications can be submitted to 28 February 2023.