

**Regulations of
the Riga City Council Co-Financing Programme
“Riga Film Fund” for Foreign Film Productions in Riga Tender**

I. General provisions

1. These Regulations prescribe the course of the Tender (hereinafter referred to as “the Tender”) of the Riga City Council (hereinafter referred to as “the City Council”) Co-Financing Programme “Riga Film Fund” for Foreign Film Productions in Riga and the procedure of allocating the co-financing.
2. The Tender is organized by the Riga City Council Executive Director (hereinafter referred to as “the Commissioning Party”), located in Riga, Rātslaukums 1, LV-1539. Any questions relating to this Tender should be made to Dace Lešinska, Riga City Executive Director’s Assistant for Entrepreneurship Affairs, via email to dace.lesinska@riga.lv or by phone to +371 67037659.
3. Terms used in these Regulations:
 - 3.1. The Co-financing Applicant – a merchant (legal entity) of the European Union, which:
 - 3.1.1. is duly registered as a film producer in accordance with the existing laws and regulations and has submitted a tender application;
 - 3.1.2. at the moment of the Tender Application submission has signed a preliminary cooperation/coproduction agreement that certifies a specific intent to shoot a feature length motion picture or a television film or a documentary in Latvia, involving services of Latvian production company, and confirms the amount of the planned financial investment (foreign capital comprising at least 75% of total budget of the foreign film project):
 - 3.1.2.1. The total budget of the foreign film project must be no less than 700,000 EUR;
 - 3.1.2.2. At the moment of submission of the Tender Application the approved film funding shall amount to at least 50 per cent (to be specified in the film financing plan) of the total costs of the film;
 - 3.1.3. plans to finish the implementation of the film project and to deliver the report on the film project’s expenditure by November 30, 2017.
 - 3.2. The Applicants qualifying for the Co-financing – the Co-financing Applicants that have received at least 12 points of the qualitative evaluation criteria;
 - 3.3. The Co-financing Recipient – the Co-financing Applicant, entered in the Commercial Register of the Register of Enterprises of the Republic of Latvia (hereinafter referred to as “the Commercial Register”), who has signed the co-financing agreement with the City Council;
 - 3.4. Eligible expenses – expenses that are co-financeable within the framework of the Tender;
 - 3.5. Ineligible expenses – expenses that are not co-financeable within the framework of the Tender.
4. Tender applicants that are not be eligible for the co-financing:
 - 4.1. film project with foreign capital comprising less than 75% of total budget of the foreign film project;

- 4.2. film project with approved film funding less than 50 per cent of total budget of the foreign film project;
- 4.3. film project with total budget (excluding co-financing by public persons of Latvia) of the foreign film project less than 700,000 EUR;
- 4.4. film project that on the day of announcing the Tender results have finished shooting.
5. The Programme aims – to promote cultural diversity and foreign film productions in Riga, to encourage development of the national film industry by generating new culture projects and boosting the experience and skill development of local professionals, as well as to promote Riga abroad.
6. The Applicant qualifying for the Co-financing obtains the right to sign an agreement with the City Council on co-financing to reimburse the film-related expenditure.
7. The co-financing is not allocated to the pornography and to the film projects which incite religious hatred and racism, reflect motiveless violence and/or contain propaganda that degrades human dignity, as well as degrades and belittles the image of Latvia and Riga.
8. The Application submission deadline is open from November 1, 2016 until 12 pm September 29, 2017.

II. Call for Tender

9. The organizer of the Tender publishes call for Tender on the websites of the City Council www.filmriga.lv and www.riga.lv .
10. The call contains the following information:
 - 10.1. the organizer of the Tender;
 - 10.2. the title of the Tender;
 - 10.3. the place for submission of the Tender Application;
 - 10.4. the deadline for submission of the Tender Application;
 - 10.5. the contact information.
11. The Tender Regulations are available:
 - 11.1. at the Riga City Council, in Riga, Rātslaukums 1, room 426, on business days from 9:00 am to 15:00 pm;
 - 11.2. by sending request via e-mail to: dace.lesinska@riga.lv ;
 - 11.3. on the websites of the City Council www.filmriga.lv and www.riga.lv (Uznemejiem/Atbalsta programmas/Rigas filmu fonds).

III. Eligible and ineligible expenses

12. The eligible expenditure is incurred in accordance with the criteria of the Paragraph 25.3. since the day of the announcement of the Tender results and is directly related to the purposes of:
 - 12.1. hotels and other accommodation (e.g. apartment rent) related services;
 - 12.2. the rent of the equipment required to ensure the filmmaking;
 - 12.3. the transport services;
 - 12.4. fuel;
 - 12.5. the catering services (by provider);
 - 12.6. the construction services related to the preparation and ensuring the filmmaking;

- 12.7. the security services (also state and municipal police);
 - 12.8. the telecommunication services (during filming according to the schedule);
 - 12.9. public services (during filming according to the schedule);
 - 12.10. the rent of premises;
 - 12.11. the purchase and rent of various goods (e.g. theatrical properties etc.) related to the film production;
 - 12.12. the services related to the film production (e.g., photography, make-up services, services related to creation of the stage design, special effects, personnel selection, translation and interpretation etc.);
 - 12.13. the artistic services (services provided by authors or groups);
 - 12.14. the administrative services (during filming according to the schedule) - office services, legal and accounting services, etc.);
 - 12.15. the remuneration of the participants of mass scenes, actors etc. who are Latvian citizens, permanent residents of Latvia or European citizens that otherwise demonstrate strong link to Latvian culture;
 - 12.16. the commission (production) fee of the project executor not more than 7% of the total eligible expenditure incurred in Latvia.
13. The suppliers of the services of eligible expenses must carry out their commercial activity within the framework of the project in Riga city and Latvia.
14. Ineligible expenses are:
- 14.1. Commission (production) fee of the project executor exceeding 7% of the total eligible expenditure incurred in Latvia;
 - 14.2. Airport parking;
 - 14.3. Bank commission;
 - 14.4. Minor expenses in shops (up to 15 EUR);
 - 14.5. Expenses which are not originally intended or required for the project implementation.
15. If from the Tender Application it follows that the items to be purchased will be used for personal purposes, the Committee will not allocate the co-financing.

IV. Submission of the Tender Application

16. Ways to submit the Tender Application:
- 16.1. the thread bound (sewn) Tender Application must be placed in a sealed envelope marked "Application for the tender of the Riga City Council co-financing programme for foreign film productions in Riga" and must be submitted to the Riga City Council Reception Centre, Kungu Street 7/9, LV-1539, in accordance with the set office hours; information about the applicant (name and registration number) and contact address have to be specified on the envelope, the application must be submitted by the appointed deadline;
 - 16.2. the thread bound (sewn) Tender Application must be sent by mail to the addressee: "Riga City Council Executive Director, Kungu Street 7/9, LV-1539, Riga, Latvia", marked "Application for the tender of the Riga City Council co-financing programme for foreign film productions in Riga"; information about the applicant (name and registration number) and contact address have to be specified on the envelope; the date on the postage seal must not be later than the deadline date for the submission of the Tender Application;

- 16.3. the Tender Application in *.edoc format must be sent by e-mail to: dace.lesinska@riga.lv.
17. The Co-financing Applicant submits the Tender Application, consisting of:
- 17.1. duly completed Tender Application Form (Appendix 1) and the following attachments in a consecutive order:
 - 17.1.1. the synopsis:
 - 17.1.1.1. if the film project applies for 25 % co-financing rate – description of the extent and the manner of planned Riga portrayal in it;
 - 17.1.2. the script;
 - 17.1.3. the foreign producer company's description of the film project implementation plan, work schedule, target audience;
 - 17.1.4. the film distribution plan; adding the copies of the film distribution agreements, if entered;
 - 17.1.5. the project outline and content to be implemented in Latvia;
 - 17.1.6. detailed calendar plan of the activities envisaged in Latvia for the implementation of the film project;
 - 17.1.7. information on the foreign producer company (general description, activity history, human resources, offered services, the last 10 produced feature films and their distribution rates, other forms of audiovisual works, international cooperation, the achievements (awards, nominations));
 - 17.1.8. the information on Latvian producer, (indicating the previous experience in cooperating with the foreign filmmaking crews on the territory of Latvia (please enclose references), curriculum vitae (CV) of the key personnel involved in the project implementation);
 - 17.1.9. the filmographies of the main creative personnel and cast of the film;
 - 17.1.10. the other additional information, which the Co-financing Applicant regards as necessary to include.
 - 17.2. The copy of the annual financial report for the last closed fiscal year;
 - 17.3. The copy of the preliminary cooperation agreement or the cooperation agreement on the intent to shoot a feature length motion picture or a television film or a documentary in Latvia;
 - 17.4. The total film budget estimate signed by the foreign film production company and the film financing plan;
 - 17.5. The break-down of the estimated expenditure (in euros) to be incurred in Latvia in compliance with the eligible expenses listed in these Regulations (Appendix 5); positions of the estimate in the course of the project implementation can change, but not more than the approved sum of the co-financing;
 - 17.6. The statement signed by the Co-financing Applicant (Appendix 2) of the allocated and planned public funding for the film project, as well as attested copy of the break-down of the estimated expenditure.
18. Documents listed in Paragraphs 17.1.2., 17.1.3., 17.1.4., 17.1.6., 17.1.7., 17.1.9., 17.3., 17.4. of these Regulations may be submitted in English or in Russian; document listed in Paragraph 17.1.2. does not have to be signed.
19. The Tender Application must include a CD with the information listed in the Paragraph 17.1. (in corresponding sequence and with matching headings).

20. The Tender Application Form (Appendix 1) and the supporting documents must be signed, numbered, prepared in printed form and in the state language, with the exception of the documents listed in the Article 18 of these Regulations.
21. If it is necessary to observe a commercial secret in relation to the subject-matter of the Tender or individual parts thereof, the Co-financing Applicant must indicate it in the Tender Application.

V. Evaluation of the Tender Applications and Announcement of the Results

22. The Tender Evaluation Committee (hereinafter referred to as “The Committee”) decisions are taken by open vote during the Committee meeting once a month. The results are adopted by the majority vote of those present (at least two thirds of members). In the event of tied member vote the Committee Chairperson has the casting vote.
23. During evaluation process The Committee:
 - 23.1. has the right to invite the Co-financing Applicant to give a presentation on the submitted Tender Application and to answer the questions;
 - 23.2. invites culture experts with the education or work experience in film industry and not associated the Co-financing Applicants to provide their opinion on cultural criteria of the submitted projects.
24. The Committee takes into account, at any Tender Application evaluation stage, the information provided by the National Film Centre regarding the fulfilment of the commitments by the Co-financing Applicant. On the basis of the improper fulfilment of the commitments arising from prior agreements with the National Film Centre, the Committee may decide not to proceed with the evaluation of the submitted Tender Application.
25. The evaluation is carried out in three stages:
 - 25.1. during the first evaluation stage the compliance of the Tender Application with the administrative evaluation criteria (Appendix 3) is assessed. The Tender Application that has received at least one rating of “No” is rejected. It is not possible to improve or add to the Tender Application;
 - 25.2. during the second evaluation stage the compliance of the Tender Application with the qualitative evaluation criteria (Appendix 4) is assessed:
 - 25.2.1. The evaluation is carried out using the point method and solely the Tender Applications meeting the requirements of the first evaluation stage are evaluated;
 - 25.2.2. The Tender Application, which has not received at least 12 points of the qualitative evaluation criteria, is not considered for further evaluation.
 - 25.2.3. Not more than 50% of the total production budget has to be spent in Latvia in order to receive maximum points of the qualitative evaluation criteria.
 - 25.3. during the third evaluation stage the City Council co-financing rate for the Tender Application is determined. The City Council co-financing rate of the eligible expenses for one foreign film project:
 - 25.3.1. project with the storyline set in Riga or with the noteworthy portrayal of Riga in the story (at least 20% screen time), and at least partly implemented on the territory of Latvia – 25%;

- 25.3.2. project to be implemented on the territory of Latvia – 20%;
 - 25.3.3. to the project that corresponds with 20% co-financing rate, but has received maximum points of the qualitative evaluation criteria, the 25% co-financing rate is applied.
26. The Committee on the basis of the Tender Application evaluations decides whether to approve or reject each submitted Tender Application.
 27. The Committee's approval decision of the submitted Tender Application indicates the intensity rate of the City Council co-financing for the project and accordingly calculated amount of co-financing maximum:
 - 27.1. the intensity rate is applied on the eligible expenditure up to a maximum of 80% of the total production budget (if the eligible expenditure in Latvia exceeds 80% of the total production budget, this will not have an impact on the aid amount granted),
 - 27.2. the overall (cumulative) aid intensity of the project (indicated in Appendix 2) may not exceed 50% of the total production budget.
 28. The Committee decides on the Tender results not later than 30 working days after the Tender submission deadline.
 29. Before the signing of the agreement with the City Council, the Committee reserves the right:
 - 29.1. to request additional information from the Co-financing Applicant;
 - 29.2. to reposition the estimated expenditure positions indicated in the Tender Application between eligible and ineligible expenses;
 - 29.3. on the basis of the reasoned request made by the Co-financing Applicant, to reposition the Tender Application estimated expenditure without changing the amount of the allocated co-financing.
 30. The Committee's decision on the Tender results is declared:
 - 30.1. in written form to all the Co-financing Applicants, by sending a letter to the address indicated in the Tender Application;
 - 30.2. by the announcement on the websites of the City Council www.filmriga.lv and www.riga.lv (Uzņēmējiem/Atbalsta programmas/Rīgas filmu fonds).
 31. The co-financing agreement is not signed if prior to the signing it is disclosed that the Co-financing Applicant:
 - 31.1. has not fulfilled commitments arising from the prior agreements with the institutions of the Riga City Council;
 - 31.2. during the evaluation process of the Tender Applications has tried to obtain the confidential information or to influence the decision making process;
 - 31.3. is directly associated with:
 - 31.3.1. the members of the Committee;
 - 31.3.2. persons participating in the effecting of the Tender that may obtain confidential information.

VI. The provisions of the Co-financing agreement

32. Prior to the signing of the co-financing agreement with the City Council, the Co-financing Applicant submits to the City Council:
 - 32.1. The copy of the Producer's Registration Certificate issued by the National Film Centre of Latvia;

- 32.2. Reference which on the submission date is not older than 1 month, that the Co-financing Applicant has no outstanding tax liability above 150 EUR.
33. The City Council signs a written co-financing agreement with the Co-financing Applicant after the fulfilment of all requirements established by the approval decision of the Committee. Prior to the signing of the agreement the approval of the Tender Application by the Committee is not binding for the City Council. The decision of the Committee is binding to the City Council if a co-financing agreement is being entered into.
34. The Co-financing agreement is signed providing the corresponding funding is allocated for the co-financing approved by the Committee. During the signing process the City Council reserves the right if necessary to reduce the amount of the co-financing in accordance with the amount of co-financing planned for the Tender.
35. The City Council signs a written co-financing agreement with the Co-financing Applicant that has fulfilled all requirements established by the approval decision of the Committee regardless of the number of points earned by the Co-financing Applicant and providing the corresponding funding is allocated for the co-financing approved by the Committee.
36. The method of allocating financial recourses:
- 36.1. first priority goes to the Co-financing Applicant corresponding with 25% co-financing rate and receiving at least 12 points of the qualitative evaluation criteria; The Committee ranks them in the mutual order of priority with the Co-financing Applicant earning largest number of points taking first priority;
- 36.2. the Co-financing Applicant corresponding with 20% co-financing rate and receiving at least 12 points of the qualitative evaluation criteria are too mutually ranked in the order of priority with the Co-financing Applicant earning largest number of points taking first priority.
37. The decision on the co-financing approval by the Committee is in force up to six months from the announcement date of the Tender results. During this period the co-financing agreement must be signed. The indicated period may be extended up to twelve months from the announcement date of the Tender results if the Co-financing Applicant has submitted to the City Council such a request including a justification.
38. The co-financing agreement stipulates the implementation schedule of the project, which does not exceed November 30, 2017, as well as it stipulates the planned expenditure in Latvia, the percentage of the co-financing rate set down by the Committee and other provisions which are binding during the project implementation.

VII. Allocation of the Co-financing

39. The co-financing is allocated in accordance with the co-financing agreement after the Co-financing Recipient has by November 30, 2017 submitted to the City Council the report on the film project implementation, film rough cut, the account of the use of finances (also in CD) and the report on the film project's expenditure in Latvia during its implementation process made by certified auditor or by the company of certified auditors.

40. The City Council within fourteen days from the submission of the reports by the Co-financing Recipient assesses the report on the film project implementation, the account of the use of finances and the report on the film project's expenditure in Latvia made by certified auditor or by the company of certified auditors, evaluating the compliance of the film project implementation with the provisions set down in the co-financing agreement.
41. In case of the confirming verdict the City Council calculates the amount of the co-financing in euros (EUR) to be reimbursed to the Co-financing Recipient.
42. The City Council has the right to request additional information and documentary evidence certifying the expenses incurred during the film project implementation.
43. The supporting documentary evidence of the expenses are the copies of:
 - 43.1. bank approved payment orders for the payment of invoices;
 - 43.2. mandatory receipts;
 - 43.3. checks of electronic cash registers (ECR);
 - 43.4. other accounting documents.
44. The Co-financing is paid within thirty working days from the date the City Council has made the decision about the compliance of the implemented film project and the payment of the co-financing.
45. The City Council reserves the right to reduce the amount of the co-financing to be paid if:
 - 45.1. the costs entered in the documentary evidence of the expenses submitted by the Co-financing Recipient unreasonably exceed fair market value;
 - 45.2. the Co-financing Recipient has used the lesser amount of financial resources than the one envisaged in the Co-financing agreement;
46. The City Council reserves the right not to allocate the co-financing if the Co-financing Recipient:
 - 46.1. has in any way misled the City Council;
 - 46.2. has failed to submit all the required documents by the deadline;
 - 46.3. has failed to submit the documentary evidence of the expenses or other required documents;
 - 46.4. has used the allocated financial resources for personal purposes instead of the film project implementation.

VIII. Rights and Obligations of the Co-financing Applicant

47. The Co-financing Applicant has a right to withdraw the submitted Tender Application.
48. The Co-financing Applicant has an obligation to ensure the integrity of the information submitted in the Tender Application.
49. The Co-financing Applicant has an obligation to abide by these Regulations.
50. After the signing of the co-financing agreement The Co-financing Applicant is responsible to abide by the Cabinet of Ministers Regulations No. 299 "On the procurement procedure and how to apply it to projects financed by the contracting authority" if the amount of supply or service contract with subcontractor is at least 70,000 EUR or 170,000 EUR for construction contracts.

IX. Control Measures

51. The City Council reserves the right to invite experts during the film project implementation to verify the correspondence between the eligible costs incurred during the project implementation and the existing market situation.

X. Final Provisions

52. After signing the co-financing agreement with the City Council the Co-financing Recipient and the film project principal (foreign production company) undertakes to include the information on the Riga City Council co-financing (and the Riga Film Fund logo) in the final credits of the completed film, as well as in the publicity and promotional materials related to the film.

53. Upon the completion of the film project the Co-financing Recipient to submit:

53.1. three video copies of the film to the City Council;

53.2. a copy of the supported film to the cinematography heritage institution for the preservation.

54. The Committee and the others involved in or related to the organization of the Tender sign a statement of non-disclosure of the commercial secret to the third parties before the commencement of the work with the co-financing programme.

Chairman of the Committee

J.Radzevičs