

19 October 2007

REGULATION No. 1011/2007

on Temporary Reimbursements in Respect of Film Making in Iceland

Article 1

*General*

Up to 20% of the production costs incurred in the production of films and television programmes in Iceland, or, as appropriate, in other EEA member states, may be reimbursed by the State Treasury (cf. Article 5 of this Regulation and Articles 2 and 5 of the Act on Temporary Reimbursements in Respect of Film Making in Iceland, No. 43/1999, with subsequent amendments).

Article 2

*Conditions for reimbursement*

In assessing whether a proportion of the production costs of a motion picture or television programme should be reimbursed, the following conditions shall be fulfilled:

- a. the production shall be suited for promoting Icelandic culture and the history and nature of Iceland;
- b. the production shall be suited for enhancing the experience, knowledge, and artistic ambition of the parties involved;
- c. a specific company shall be established in Iceland for the production; an Icelandic branch or agency of a company registered in another Member State of the European Economic Area shall be considered a specific company;
- d. information on the principal parties involved in the film or television programme shall be submitted;
- e. information on domestic parties and their share in the production of the film or television programme shall be submitted;
- f. an itemised estimate of the production costs and sources of funding shall be submitted, together with confirmation by the funding parties and a declaration by the producer to the effect that the production complies with the objectives of Act No. 43/1999;
- g. information on the content of the proposed film or television programme shall be submitted, including a manuscript, synopsis and information about filming locations;
- h. a production plan shall be available (i.e. filming, post-production and marketing plan), providing for completion of the production within three years of receipt of the application for reimbursement;
- i. a statement shall be submitted to the effect that the material to be produced is intended for general distribution to cinemas or television stations;

- j. the content of the film or television programme shall not violate the provisions of the Penal Code on pornography.

In the event of a change in estimated production costs (cf. paragraph 1, item f) after production begins, a new cost estimate shall be submitted to the Ministry of Industry.

Notwithstanding the provisions of paragraph 1, item c, an applicant for reimbursement may postpone the formal establishment of a specific company for the production of a film in Iceland, or the registration of a specific branch or agency, as appropriate, until the conditional promise of the Minister pursuant to paragraph 2 of Article 4 has been obtained. The applicant shall then have three months to finalise the formal establishment of a company or the registration of a branch or agency from the date of the approval. Failure on the part of the applicant to complete these formal requirements by the end of this period shall be interpreted as a withdrawal of the application.

Material relating to advertisements and news, short films, recordings of sports events and festivals, as well as the production of material that is primarily intended for showing in own distribution systems, shall not be regarded as material pursuant to item (i) of Paragraph 1.

### Article 3

#### *Application*

Applications for reimbursement shall be submitted to the Ministry of Industry before production in Iceland commences. Applications shall conform to instructions posted by the Ministry on its website as regards form and include documents demonstrating that the reimbursement conditions of Article 2 of this Regulation are met.

### Article 4

#### *Processing of applications*

A committee appointed in accordance with Article 3 of Act No. 43/1999 shall review submitted applications. In processing applications, the committee shall be guided by whether the film or television programme promotes Icelandic culture, and, as applicable, is relevant to Icelandic history and nature. The committee may request further information as it may consider necessary.

If the committee considers that an application qualifies for reimbursement, it shall submit to the Minister of Industry a recommendation that a conditional promise should be given for reimbursement. Such conditional promise issued by the Minister shall contain a reference to the authorisation under Article 8 for a deferral of reimbursements.

In processing applications, the committee may call for an expert opinion regarding the purported artistic value of the production in question.

### Article 5

#### *Production costs.*