



CreatePHFilms
Film Development Council of the Philippines

FUND FOR LARGE BUDGET PRODUCTION

GUIDELINES

V. 4, APRIL 2021



FILM
DEVELOPMENT
COUNCIL OF THE
PHILIPPINES

Republic of the Philippines
Office of the President
FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES

CreatePHFilms
FUND FOR LARGE BUDGET PRODUCTION

Guidelines

CreatePHFilms is a funding program administered by the Film Development Council of the Philippines (FDCP) to encourage the production of quality films and the artistic creation of Filipino filmmakers through financial support for project development, production, post-production, and distribution.

The CreatePHFilms Fund for Large Budget Production is a selective equity investment fund of **THREE MILLION PESOS (Php 3,000,000.00)** up to **FIVE MILLION PESOS (Php 5,000,000.00)** for production companies.

I. Disclaimer

1. The FDCP may decline to accept and/or reject an application if it does not follow and/or comply with the guidelines which are designed to be read in conjunction with the relevant application form. As the guidelines and application form are subject to changes and updates, applicants should ensure that they have the most current version of these documents by checking <http://www.fdcphfilms.com> prior to the submission of their applications.
2. All the information provided by the applicants will be held by the FDCP on a strictly commercial-in-confidence basis. Information will only be provided to the CreatePHFilms Committee, the Philippine government, and consultants if necessary.
3. CreatePHFilms is a selective (NOT ASSURED or AUTOMATIC) awarded fund that is subject to strict evaluation and audit of qualified expenses.
4. All applications are made at the applicant's own risk. The FDCP is not liable for any loss, damage, or costs arising directly or indirectly from the application process, the FDCP's decision to refuse the project, or from dealing with the application in any manner.

II. Eligibility

1. Eligible Formats

- a. Filipino¹ narrative mid (at least 40 to 79 minutes) to feature-length film (at least 80 minutes) (fiction, documentary, or animation)
- b. In English or Filipino² only
- c. Planning for a theatrical, VOD and/or festival release within the Philippines
- d. With an overall budget production budget above Fifteen Million Pesos (Php 15,000,000.00)

2. Eligible Contents

- a. Any genre except for pornography.
- b. The project must not contain issues that insult, offend, and/or portray the Philippines in a negative light as well as threaten national security.
- c. The project must not promote violence.

¹ See Annex A

² See Annex B

3. Eligible Applicants

Any Filipino production company duly registered as a business in the Philippines and accredited by the FDCP National Registry for Companies: <https://nationalregistry.fdcph.gov.ph/registry-groups/nrc>.

4. Eligible Activities

- a. The Project must be ready for production (studio/on set shootings).
- b. The full fund must be spent in the Philippines for production eligible expenses.

5. Project Eligibility Criteria

- a. The project must be an eligible format as set out in Section II.1.
- b. The project must comply with the eligible content as set out in Section II.2.
- c. The applicant must be an eligible applicant as set out in section II.3.
- d. The project must have a Filipino Director.
- e. The applicant must have all necessary rights to develop, produce, and distribute the film.
- f. The project must target a distribution guarantee or deal memorandum for theatrical/VOD release in the Philippines. The project must target domestic audiences.
- g. The Project must apply for the first time to the CreatePHFilms Fund for Large Budget Production, but may have applied before to the CreatePHFilms Fund for Script Writing and/or Project Development.

III. Application Period

1. The Call for Application periods are as follows:

For 2021

- a. 1st Application Period:
April to May > Selection in June
- b. 2nd Application Period:
September to November > Selection in December

2. In the event that the CreatePHFilms budget for the year has already been spent, the application period of that year will be closed.

IV. Call for Application Process

1. The applicant must fill in and submit the CreatePHFilms Fund for Large Budget Production - Call for Application Form and all required documents to createphfilms@fdcp.ph during one of the two application cycles per year.
2. The FDCP will verify all the documents. The FDCP may ask the applicant to provide further supporting documents, should the FDCP decide that the submitted documents contain inadequate details.
3. After confirming the completion of the application, the FDCP will then submit the applicant's project to the CreatePHFilms Selection Committee's consideration.
4. The CreatePHFilms Selection Committee will pre-select a number of applicants to be interviewed. Among these pre-selected applicants, the CreatePHFilms Selection Committee will then choose whose project will be granted the CPHFilms Large Budget Production Fund.
5. The applicant will then be informed of the result of the selection. He/she will receive either a rejection letter with arguments or an approval with the fund amount.

6. If approved, an e-meeting will be held with the FDCP to discuss the project and sign the Memorandum of Agreement. The applicant will receive the first sixty percent (60%) down payment of the fund within sixty (60) days after signing of the Memorandum of Agreement.
7. The applicant must submit the complete requirements for the Final Report within a year after the notification of selection of the project. Should there be a delay in the production timeline, the applicant must notify the FDCP and give a clear and reasonable explanation for the delay.

V. Call for Application Checklist

(See Technical Requirements for the format.)

REQUIRED DOCUMENTS:

- Filled-up CreatePHFilms Fund for Large Budget Production Fund - Call for Application Form
- A copy of the insurance policy for workplace accidents of the cast and crew related to the project issued by an insurance company
- A copy of the script
- A copy of the production schedule *(Template provided)*
- Treatment of the project (8-10 pages) and/or an artistic portfolio of the project (i.e. mood board, storyboard, URL to teaser or inspired short film, etc.) or for a documentary, any supporting footage
- A copy of the scriptwriter's certification *(Template provided)*
- Resume and filmography (with screening links) of the director(s), producer(s), and production company/companies
- Vision statements from the director(s) and producer(s)
- Overall production budget and financing plan *(Template provided)*
- Recoupment waterfall structure (this determines to whom and in what order film income is distributed) *(Template provided)* *Note: Should there be any additional co-producer/funder of the film, approved applicants must notify ahead of time the CPHFilms team and submit an updated recoupment waterfall structure (this determines to whom and in what order film income is distributed)*
- Marketing and distribution budget and strategy within the Philippines and/or abroad setting out the target audience and how to reach them
- Statutory Declaration signed by the applicant company and notarized *(Template provided)*

IF APPLICABLE:

- For adapted works, a copy of the source material or previous script if it is a rewritten work
- For adapted works, authorization letter for the adaptation issued by the copyright holder
- For animation, an artistic portfolio of the project (i.e. mood board, storyboard, URL to teaser or inspired short film, etc.)
- For confirmed financial resources, proof of the financing in place (Note: Applicants shall update FDCP if there will be a new financing partner in the production.)
- For confirmed key personnel, cast and crew, letters of agreement(s)

IF AVAILABLE:

- A copy of the documents relating to the "Chain of Title" and underlying rights
- Evidence of an international sales agent
- Documentary proof for the distribution of the project through a release whether festival/commercial/VOD distribution

VI. Progress Development Report

The applicant must send a Progress Development Report within six (6) to eight (8) months after the notification of selection of the project. *(Template provided)*

VII. Final Report Process

1. Within a maximum of two (2) months after the completion of principal photography of the project the applicant company must send the CreatePHFilms Fund for Large Budget Production - Final Report and submit all required documents to createphfilms@fdcp.ph.
2. The FDCP will verify all the documents. The FDCP may ask the applicant to provide further supporting documents, if the submitted documents contain inadequate details.
3. After confirming the completion of the report, the FDCP will submit the final report to the FDCP accounting unit for audit.
4. The FDCP accounting unit may ask the applicant to provide further supporting documents for auditing purpose.
5. The applicant will then receive the payment of twenty percent (20%) of the fund within sixty (60) days after the approval of the complete Final Report.
6. The remaining twenty percent (20%) will be received by the applicant once the imperatives have been complied and submitted.

VIII. Final Report Checklist

(See Technical Requirements for the format.)

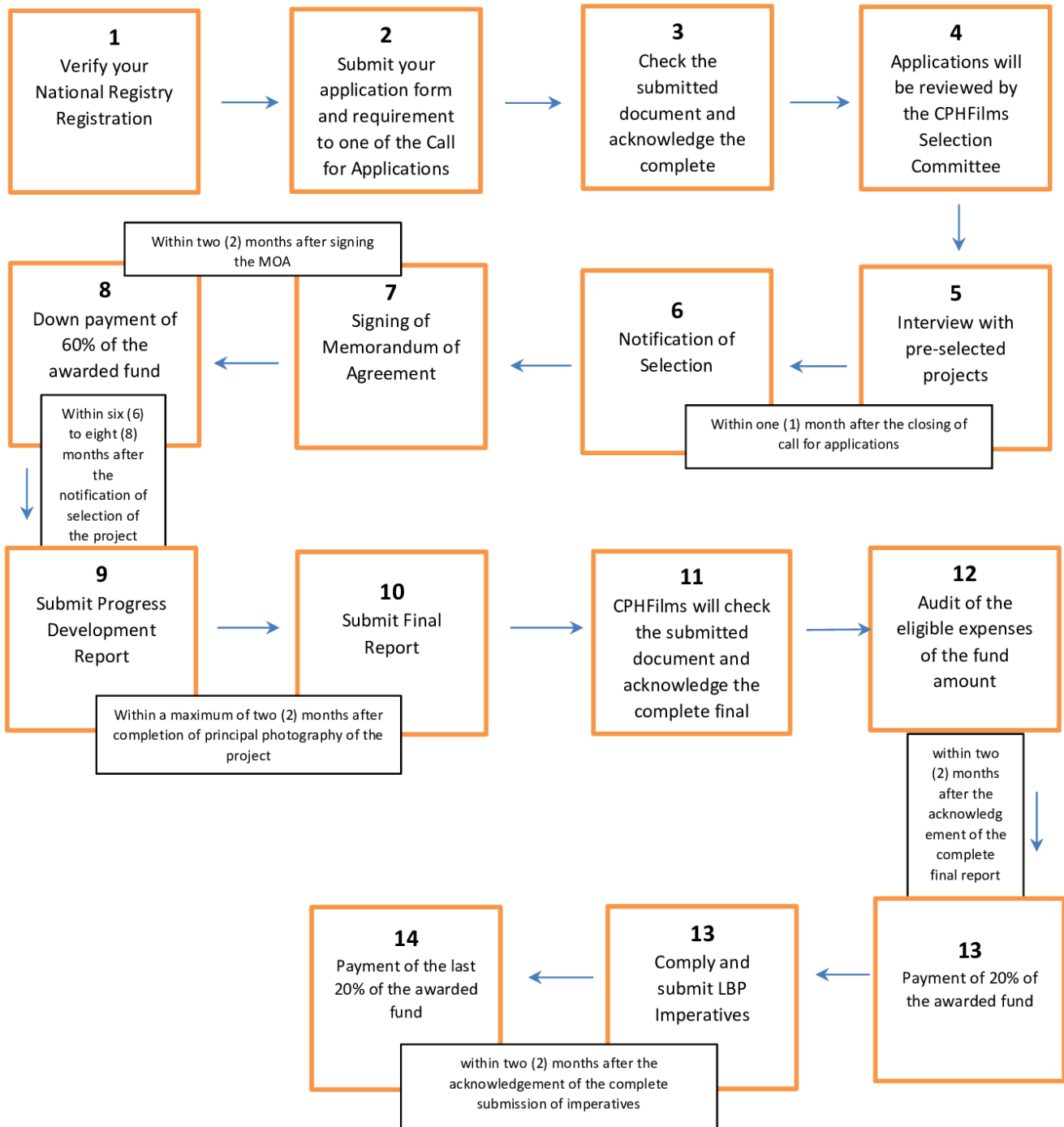
REQUIRED DOCUMENTS:

- Filled up CreatePHFilms Large Budget Production Fund - Final Report
- Shooting bible and/or daily production reports.
- A copy of the final production schedule *(Template provided)*
- A copy of the Filipino filming permits from the local authorities
- A copy of the fully executed contracts with the key cast and crew
- List of the full personnel, cast and crew, that worked on the project.
- Cost report **on the fund amount spent** for the production with the corresponding qualified and valid official receipts (original)
- An updated distribution plan (theatrical release/broadcast/ VOD platform, etc.) within the Philippines and/or abroad
- Final chain of title
- An updated final recoupment waterfall structure (this determines to whom and in what order film income is distributed. *(Template provided)*)

IF AVAILABLE:

- Existing communication materials (i.e. poster(s), flyer(s), press release kits, etc.)
- Distribution contract for a theatrical/VOD release in the Philippines
- A copy of the international sales agreement or contract
- A copy of the agreement letters with a Film Festival

VISUAL PROCESS FOR APPROVED LARGE BUDGET PRODUCTION APPLICATION



X. Eligible Expenses

1. Each receipt must correspond to a specific expense, used for the project needs only.
2. Must start upon notification of the selection of the project.
3. Spending must be in local currency and with Filipino registered businesses and/or other Filipino services and individuals. Otherwise, receipts from PH companies issued in foreign currency must be submitted with justification and conversion rate on the date of payment.
4. Invoices and valid Official Receipts must be issued in the name of the Filipino Applicant company only except for the following:
 - Services from the government offices e.g. Bureau of Immigration.
5. Production expenses whether with **VAT or non-VAT** receipts are eligible provided they are presented with a valid and properly accomplished BIR registered official receipt and cash invoice. Please refer to the attached official receipt sample for proper compliance.
6. The FDCP Accounting Unit reserves the right to exclude any incorrect or ineligible receipt from the computation of the eligible expenses.
7. May only cover the following types of expenses for production with the submission of the **original** documentary requirements for each:

a. Salaries, wages and social contributions paid to Filipino under Filipino contract:

- Script Writer(s), Script consultant(s) and Director(s)
- Actor(s)
- All Production crew members
- Applicant permanent staff members can be taken into account proportionally to the period during which they are working on the project.

Eligible supporting documents:

- For each submit a deal memo OR fully executed Service Contract (see template) and a proof of payment (bank transfer/deposit slip or payslip) and a valid government ID.

b. Technical goods and services:

- For production rentals: stages and locations; equipment, furniture machinery, lighting, sound
- For production design: including but not limited to renting or creating/buying of wardrobe, costumes, hairstyle and makeup, prosthetics, set construction
- For animation projects, preparation and creation of animation with all equipment involved

Eligible supporting documents:

- Submit the cash invoice OR valid official receipt and brief description of the item purchased.
- For rentals: submit the rental contract with valid official receipt

c. Transportation and travel expenses

- Transport and travel of artistic and technical materials and supplies.
- Transport for the artistic and technical teams.

Land Transport: car and taxi transportation service (e.g. Grab, Angkas, etc)

Eligible supporting documents: For land transportation, valid official receipts or e-receipts of the service.

Air Transport: Travel bookings done in the Philippines or via a Filipino travel agency for flights within the Philippines and/or to/from the Philippines and must be in ECONOMY CLASS.

Eligible supporting documents:

- Submit paper ECONOMY plane tickets and original departure and arrival boarding passes, with official receipt
- If travel is outside the country, must have additional justification relevant to the development of the script.

Water Transport: Ferry, passenger ferry, RoRo ferry, and boat
Travel bookings done in the Philippines or via a Filipino travel agency within the Philippines and/or to/from the Philippines and must be in ECONOMY CLASS.

Eligible supporting documents:

- Submit paper ECONOMY ferry tickets, with official receipt
- If travel is outside the country, must have additional justification relevant to the development of the script.

d. Meals

- Catering

Eligible supporting documents:

- For catering, submit the catering service agreement with valid official receipt

e. Accommodation

- Capped at three thousand (Php 3,000.00) per night per room in Metro Manila and up to two thousand (Php 2,000.00) per night elsewhere.

Eligible supporting documents:

- Submit hotel room/lodging bills with valid official receipts

f. Project-related overheads

- Printing, couriers, communication expenses, etc.

Eligible supporting documents:

- For printing and courier, must provide valid official receipt.
- For courier, must provide the official receipt or e-receipt of the purchased service and its waybill.
- For communication allowance, must provide the official receipt only.

XI. Project Evaluation

The project will be evaluated on the following:

1. Degree to which the work promotes the Philippine culture and its territory;
2. Degree to which the production contributes to the Philippine film industry economic development;
3. The financial strength and stability of the Project;
4. Degree to which the project encourages diversity and inclusion;
5. The distribution potential through festival, theatrical release, and platform in order to reach domestic audiences; and

6. The quality of the team and talent: script, producer and production company, scriptwriter, and director attached to the project.

In due process and if necessitates, FDCP will seek the advice of one or more independent film production consultants on a strictly commercial-in-confidence basis to provide an independent assessment on the expenditures and budget of the project.

The decision of the Committee is final and irrevocable. The FDCP is not obliged to give any further explanation for the results.

XII. Payment

1. In the event of a legal dispute, arbitration or judicial proceedings, the FDCP reserves the right to withhold the approved fund payment until the matter is settled, or the FDCP is at the impression, after assessment of the dispute, that it is satisfied to release the payment.
2. The fund can be nullified with immediate effect, and the FDCP can ask for the fund reimbursement under any of the following conditions:
 - a. The applicant is unable to produce any documents or details asked for in the final report.
 - b. The applicant submitted false information and/or documents that were obtained by fraud, material inaccuracies or misrepresentation.
 - c. The final report doesn't comply fully with the Call For Application with key details of the project that changed significantly whether creative, financial, or artistic involvement.
3. The payment of the fund shall be made in three (3) installments. The first sixty percent (60%) of the fund shall be paid within sixty (60) days after signature of the Memorandum of Agreement, and the following twenty percent (20%) shall be paid within sixty (60) days after the approval of the complete Final Report. The last remaining twenty percent (20%) shall be paid once all imperatives have been complied and submitted by the applicant.
4. The applicant must notify the FDCP if the right option is going to lapse, terminate, or be varied. The applicant shall own the rights over the project which shall not be assigned to anyone else. The fund can be nullified, and/or reimbursed in any case.
5. If the applicant did not declare all its proceeds, the FDCP has the right to cancel its application in all FDCP-related programs.
6. The applicant shall hold FDCP harmless and indemnify FDCP against any third party claim in connection with infringement of any intellectual property right, or any accident, injury, loss or damage caused by the performance of the agreement.
7. Should the applicant renege from its responsibilities as specified therein and/or the FDCP determine the applicant to be in violation of the terms of the Memorandum of Agreement, the FDCP reserves the right to prohibit the applicant, its principals, and any parent or subsidiary companies from applying or accessing further funding from FDCP for a period of two (2) consecutive years upon written notice.
8. The FDCP may appoint one (1) or more of its officers, as the case may be, to facilitate and assist in the proper utilization and management of the budget in relation to the project

XIII. Investment

1. As an equity investor, the FDCP will have a stake in the film and a recoupment and profit position commensurate with the investment and must approve the terms of all other consequent investments or financing in the project.
2. FDCP shall take ownership of a percentage of the Film Rights (relative to its investment) and in accordance with the Financing Plan and Production Budget.
3. As per the Memorandum of Agreement, the FDCP expects to recoup the investment and receive a share of any profit alongside other government funding and similar equity investors

including related parties. Once all parties have recouped their investment and the film is in net profit, income will be shared as follows: 50% to the producer and 50% to the investors pro-rata pari passu, in proportion to their respective equity investments (not including premiums).

4. Recoupment and profit sharing shall come from all exploitation of revenue streams, including but not limited to theatrical release, Video On-Demand, and ancillary rights exploitation.
5. The FDCP may appoint a professional third-party collection agent to collect its return of investment from the production company.
6. The producer shall submit FDCP a quarterly report of sales and disbursements so long as revenue streams are activated for distribution platforms.
7. The producer shall submit an external audited report at the close of each financial year so long as revenue streams are activated.
8. FDCP's contribution shall be returned by the producer through a manager's check in the **FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES'** name, delivered within two (2) weeks from the collection of proceeds from each exploitation.

XIV. Reporting

As a funding partner, the FDCP will be entitled to:

1. Approve the terms of all other investments in the production, including independently-sourced private investments.
2. Receive a copy of, or electronic access to, weekly and monthly producer narrative reports, cost reports and balance sheets.
3. Receive a copy of, or electronic access to, daily call sheets, rushes, and daily progress reports (DPRs).
4. View and comment on the film at various stages of the edit.
5. Monitor and audit the expenses up to the fund amount.
6. The FDCP must be consulted before any update of the Chain of title (new partner, financiers, sharing the rights, etc.) and also be notified of any artistic, financial change in the project.
7. The applicant warrants ownership of the copyright of the film and that it will not be assigned to anyone else. Otherwise, the applicant must notify the FDCP if the right option is going to lapse, terminate, or will be varied. The fund can be nullified and/or terminated in any case.
8. Submit within two (2) years after the conclusion of the project a full report of domestic and/or international Box Office.

XV. Imperatives

Any production that received the CreatePHFilms Fund for Large Budget Production must:

- Register the production under the Safe Filming program: www.safefilming.ph
- Allow the FDCP team to conduct meetings to discuss plans, progress, and expectations for deliverables.
- Allow the FDCP team to visit the production during development, pre-production, production and/or post-production to shoot promotional behind the scene material: photos, videos, interviews, etc.
- Notify the FDCP of any change in the production schedule as well as when the project will start and end the principal photography, start post-production and completion of the project.
- Credit the FDCP and CPHFilms. Incorporate logos and mention as follows:

Film opening credits: CreatePHFilms logo only with the words:

"This film is a recipient of the CreatePHFilms Fund for Production of the Film Development Council of Philippines"

Film end credits: FDCP logo only with the words

“In association with the Film Development Council of the Philippines”.

- Add the logo of the CreatePHFilms in all applicable promotion materials, posters, DVD, commercials, promotional clips, and all versions of the film screened/broadcasted internationally.
- Provide to the FDCP after completion of the project the promotional materials of the project, with non-commercial communication rights:
 - trailer(s), excerpts, official poster(s) of the film, behind-the-scenes, press kit, on-set pictures, film stills, interviews of the cast and crew, making of video to promote the FDCP, Filipino locations, cast, and crew.
 - Send a secured screening link of the film for FDCP’s approval before release.
 - The applicant producer must provide an offline DVD copy of the project upon its completion.
 - Deposit a copy of the film to the FDCP Philippine Film Archive (PFA) (to be specified in a different contract).
- FDCP shall be given non-exclusive, non-commercial rights to screen the Film in all platforms including but not limited to theatrical, home, digital and online for a maximum of five (5) screenings a year for ten (10) years after the first two (2) years of its commercial run for educational and cultural purposes only, so long as the screenings are in consideration of the commercial interests of the PRODUCER and its distributor.
- FDCP shall hold exclusive rights to the **Philippine premiere** of the Film (for example: as opening or closing film) at the Pista ng Pelikulang Pilipino or in a similar FDCP-partnered or supported project as determined by the Agency. No payment can be demanded from the FDCP for this screening or for any non-commercial use of the Film.

Should the applicant have online distribution plans for the Project, the applicant may consider among its options the FDCP Channel or similar FDCP platforms. To learn more, you may contact the FDCP Exhibition Division at fdcpchannel@fdcp.ph and fdcpexhibitions@gmail.com.

XVI. Contact

FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES
855 Kalaw Avenue, Ermita, Manila
1000 Metro Manila, Philippines

Telephone: +63 2 82568331
Telefax: +63 2 7087920

Email: createphfilms@fdcp.ph
Website: www.fdcphfilms.com

Annex A: Filipino Films

A film is considered Filipino depending on:

1. The subject;
2. Locations or intended locations;
3. Ownership or planned ownership of shares or capital of any company, partnership, or joint venture that is concerned with making the film;
4. Sources of financing (both present and future);
5. Ownership and location of equipment and technical facilities that will be used;
6. Nationalities and places of residence of:
 - a. Authors, scriptwriters, composers, producers, directors, actors, technicians, editors and anyone else who has or will be involved.
 - b. Owners/proposed owners of the shares or capital of any company, partnership or joint venture concerned with making the film.
 - c. Those who have or will have copyright in the film.

Annex B: List of Philippine Languages as per Komisyon sa Wikang Filipino (KWF)

See link for full list of languages:

<https://kwf.gov.ph/mga-wika-ng-filipinas/>



FILM LOCATION ENGAGEMENT DESK

1. Fund for Large Budget Production application automatically entitles the applicant to avail of the FLEX.
2. To help audiovisual projects, foreign and local, aiming to work in the Philippines, FLEX taps into FDCP's interagency government support network, and may assist your project with:

- **FINDING YOUR PARTNER:**

Connecting with local film companies: production (line production, co-production), post-production, animation studio, distributors.

- **LOCATION SCOUTING:**

Connecting with local location managers or local government units to facilitate location scouting.

- **SOURCING OF SKILLED CAST & CREW**

Assistance in sourcing Casting Director and Filipino seasoned actors and performers as well as film crew through the FDCP National Registry

- **SOURCING OF EQUIPMENT TECHNICAL FACILITIES**

Assistance with securing better rates for accommodations, transportation, suppliers, production equipment and technical facilities

- **SECURING VISA AND SPECIAL WORKING PERMITS**

Coordinating with the Philippine foreign affairs and immigration offices to obtain visas and special

working permits for foreign crew

- **OBTAINING LOCATION PERMITS**

Issuance of various government permits expedited by way of our agency's endorsement.

- **PRODUCTION LOGISTICS**

Coordinating with local government units regarding production logistics (traffic re-routing, security detail, and other on-ground logistic aspects).

- **SPECIAL GOVERNMENT PRODUCTION ASSETS**

Coordinating with government agencies regarding special production requirements (i.e. military vehicles, armory and weapons).

- **CONDITIONALLY FREE IMPORTATION AND EXPORTATION:**

Importing and/or exporting equipment necessary for the production of your project.

- **IMPLEMENTING HEALTH AND SAFETY PROTOCOL**

Assisting and orienting in the implementation of the Covid 19 Safety and Health guidelines with FDCP Safe Filming registration

Contact for FLEX concerns: filmphilippines@fdcp.ph



NATIONAL REGISTRY AND SAFE FILMING PROGRAMS



Founded in 2017, the National Registry is a program under the Film Development Council of the Philippines (FDCP) that aims to organize a veritable database of all active film and television workers, audio-visual companies, audio-visual organizations, and film festivals all over the country, and open avenues for opportunities and activities that will promote the growth and development of the local audio-visual industry and promote its participation in both domestic and world markets.

NR also seeks to consolidate efforts as an empowered community of stakeholders so that film and audiovisual workers' voices may be heard and real action may be realized through the development of legislation and policy, education, social welfare, training, protection of intellectual property (IP), and freedom of expression, with active participation from all the sectors and stakeholders in the audiovisual industry.

<https://nationalregistry.fdcph.ph/>

Contact for NR inquiries: nationalregistry@fdcph.ph

SAFE FILMING

The Safe Filming Program is a program by the Film Development Council of the Philippines in partnership with the Department of Health and the Department of Labor and Employment, which implements the strategies and guidelines of the FDCP-DOLE-DOH JOINT ADMINISTRATIVE ORDER NO. 2020-001. It provides a global resource website that outlines the principles of safe production and provides information about systems, resources, forms, and all related documents and issuances to ensure working safely in the Philippines for both local and international film and audiovisual productions.

Safe Filming is also a platform that allows for active collaboration with stakeholders through the project registration process, which FDCP coordinates with government agencies such as DOLE, DOH, DILG, and LGUs for the monitoring of compliance to the guidelines of the FDCP-DOLE-DOH JOINT ADMINISTRATIVE ORDER NO. 2020-001. Other OSH-related concerns from the OSH Officers or workers, including work-related injuries, illnesses, and any unsafe working conditions, may also be coursed through the Safe Filming for proper inspection.

www.safefilming.ph

Contact for SF inquiries: safefilming@fdcph.ph