



national film and video foundation
SOUTH AFRICA

an agency of the
Department of Arts and Culture

CO-PRODUCTION REPORT 2014

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1. Introduction

The National Film and Video Foundation present the 2014 annual co-production activity report. The report is compiled from the data captured from the applications for advanced ruling.

In order to reach a wider distribution network of filmed material, most countries have signed co-production treaties with countries that share similar visions. To date a total of 8 co-production treaties have been entered into with the following countries: United Kingdom, France, Australia, Ireland, Italy, Canada, Germany and New Zealand.

Often countries enter into co-production agreements to encourage production and foster relationships between local and international filmmakers.

When two or more international producers come together to make a film, it provides them with the opportunities to access the resources required to produce projects that will be internationally competitive. The objective of the co-production programme is to foster projects that will be international in terms of storytelling, budget ranges as they pull together both financial and human resources from the two partnering countries. The project has an advantage of reaching wider audiences, as it allows the story to travel and it will enjoy the status of a national product in both territories

The 2014 co-production activity reflects a decline in a number of projects completed between the countries under the respective treaties

The report is aimed at gauging how the co-production activities contribute to the local film industry. The study further looks at the trends in co-productions and also helps the NFVF to map out strategic interventions to ensure that the treaties meet the objects that they were initially signed for.

The report looks at the following indicators:

- Production budgets
- Number of projects per format
- Sources of funding and the level of investment
- Stimulated revenue on economic sectors
- Participation of South African cast and crew
- Filming locations and number of shoot days in South Africa.

2. Methodology

The sample comprises of data collated from all the advanced co-productions applications received by the NFVF as at the end of 31 December 2014. A total of 7 projects were received, captured and analysed for the purpose of this report.

3. Findings

Some of the countries that have entered into co-production treaties with South Africa have set aside budget that specifically support co-productions. From table 1 below it can be observed that both Canada and United Kingdom have put aside huge amounts on funds to support co-productions. The table also looks into a number co-productions each of South Africa's co-production partners has signed. Canada and France are the countries with the highest number of treaties signed. They both have more than 50 treaties signed.

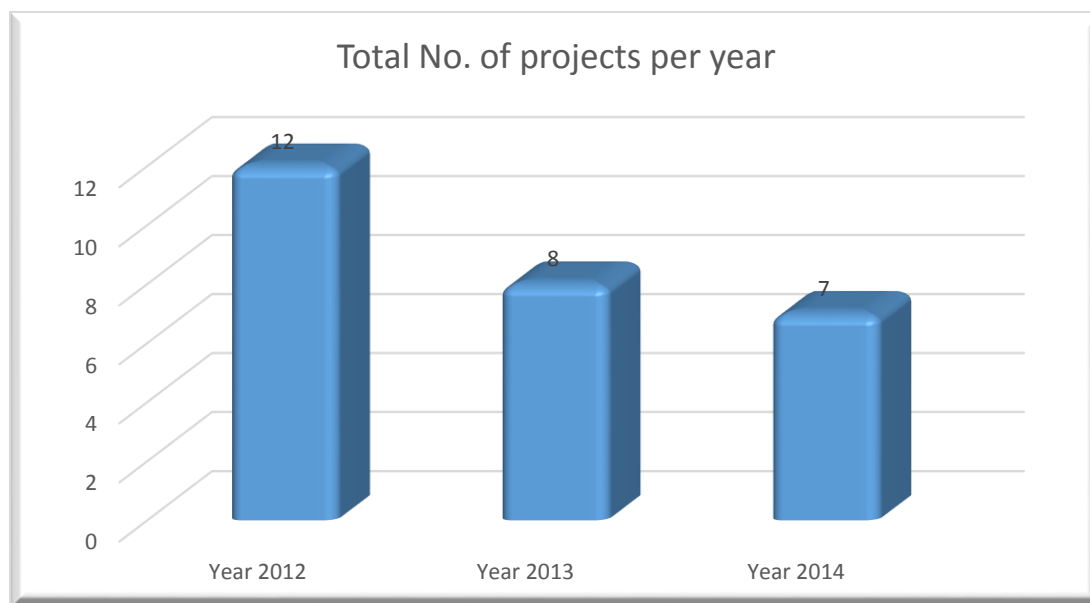
Table 1: SA Co-production partners.

SA Co-production partners	No. of co-production partnerships	Co-production budget
Germany	22	\$ 86 m
New Zealand	15	\$43 m
Canada	54	\$510
Italy	34	N/A
Ireland	5+ Europe	\$23m
United Kingdom	9+ Europe	\$484 m
France	50+	\$265 m
Australia	12	N/A

Source: Screen Australia

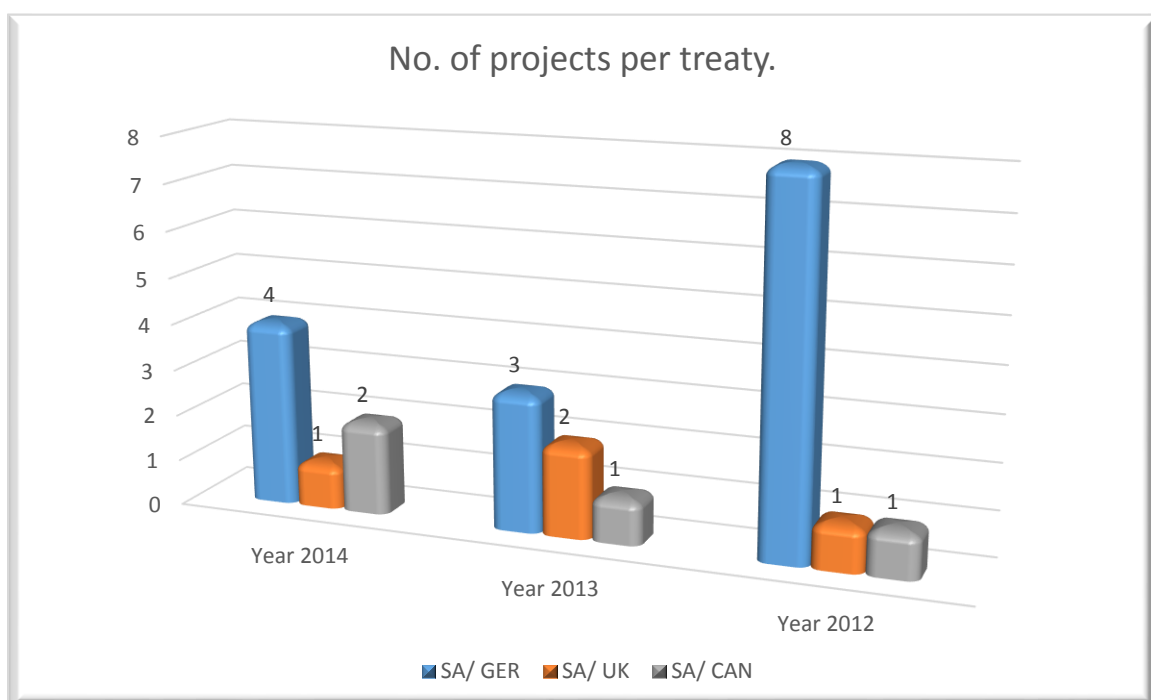
Over the past 3 years South Africa has recorded a continuous decline in the number of co-production projects completed a year. Ever since 2011 wherein a total 16 projects were completed the activity has declined with more than a half. For 2014 a total of 7 projects were recorded, 1 less than 2013 and 5 less as compared to 2012. While reasons for the declines have not yet been established it is a great concern that needs to be addressed as the treaties are signed with the objective pulling together both financial and human resources and reaching out to a broader distribution platform.

Figure 1: Total No. of projects per year.



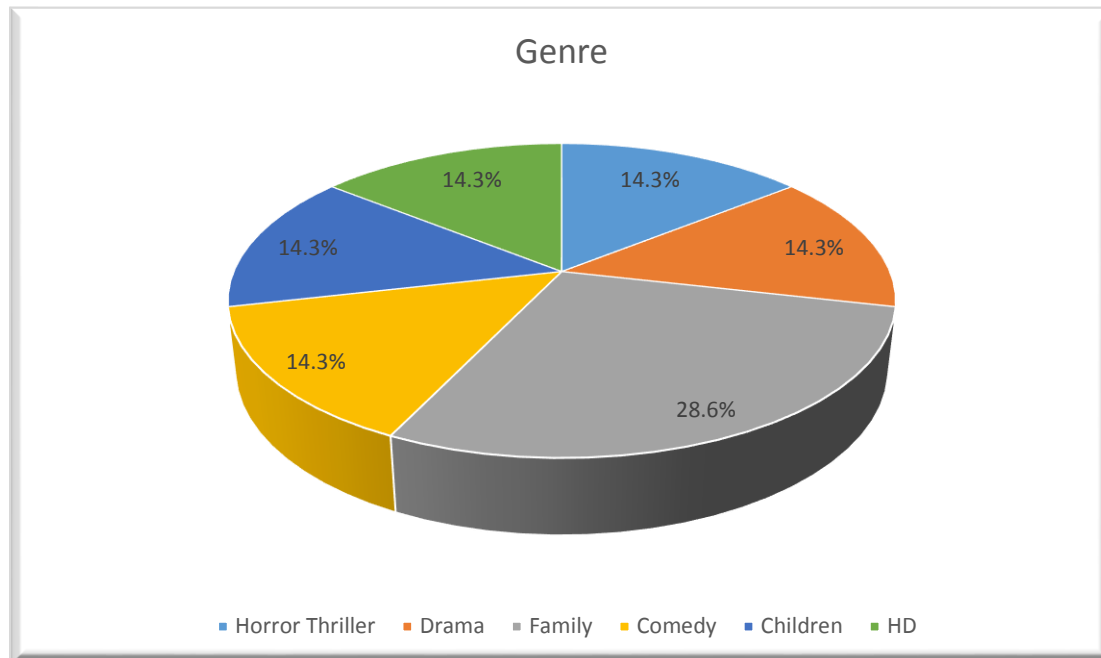
From the 8 co-production treaties SA has signed only 3 of them were active in 2014. For the past 3 years the SA/GER treaty has been the most active treaty. While it is also on a decline the treaty has constantly been the one producing more projects as compared to others. For the year under review the treaty has completed 4 projects and increase of 1 projects from 3 in 2013 and a serious decline compared to 8 in 2012. The SA/CAN treaty one of the oldest treaties increased with one project while the SA/UK dropped with one projects.

Figure 2: No. of projects per treaty.



Overall the most preferred genre for the year under review was family at 28.6% of the projects submitted with the rest of the genres sitting at 14.3%.

Figure 3: Genre of projects.



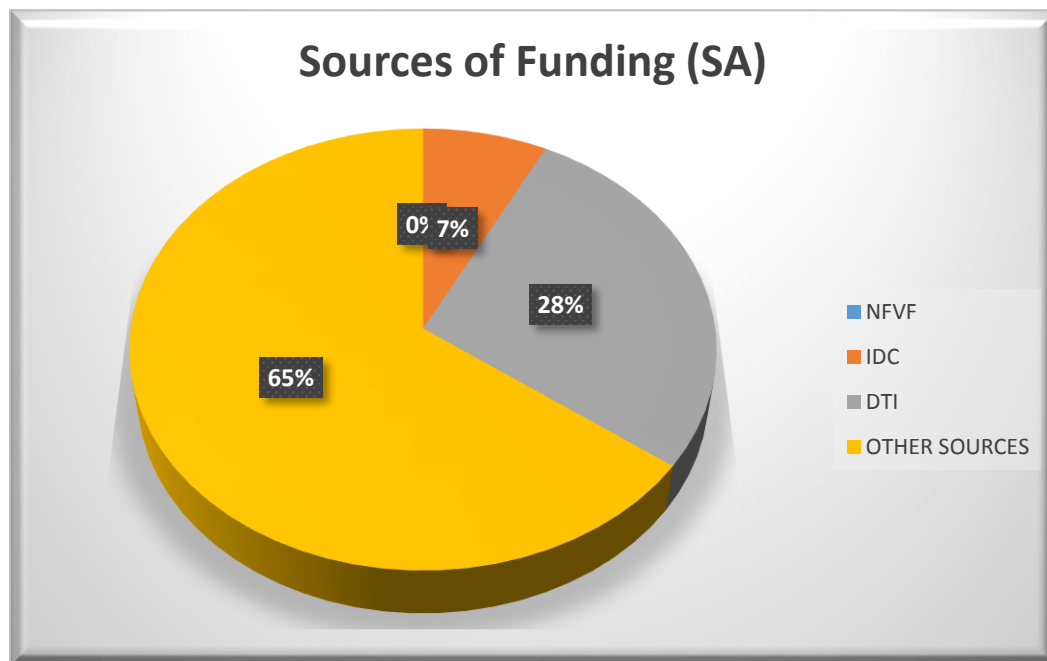
All the 7 projects submitted for 2014 had a total budget of R 257 232 180, a decline of 65.3% from R 394 102 335 in 2013 and it could be attributed to and overall decline in the number of projects submitted. The SA/GER treaty which has the highest number of projects has the highest budget of R 145 201 410 and SA has contribute 21% of that budget. SA is the majority shareholder on one project the SA/UK treaty with a contribution of 64.5%.

Table 2: Budget per treaty.

Treaty	No. of projects	Total Production Budget	SA. Contribution	% contributed by SA	Foreign Contribution	% of co-producing partners.
SA/GER	4	R 145 201 410.00	R 30 530 550.00	21.0%	R 114 670 860.00	79.0%
SA/CAN	2	R 32 309 427.00	R 12 058 171.00	37.3%	R 20 251 256.00	62.7%
SA/UK	1	R 79 721 343.00	R 51 381 653.00	64.5%	R 28 339 690.00	35.5%
Total	7	R 257 232 180.00	R 93 970 374.00	36.5%	R 163 261 806.00	63.5%

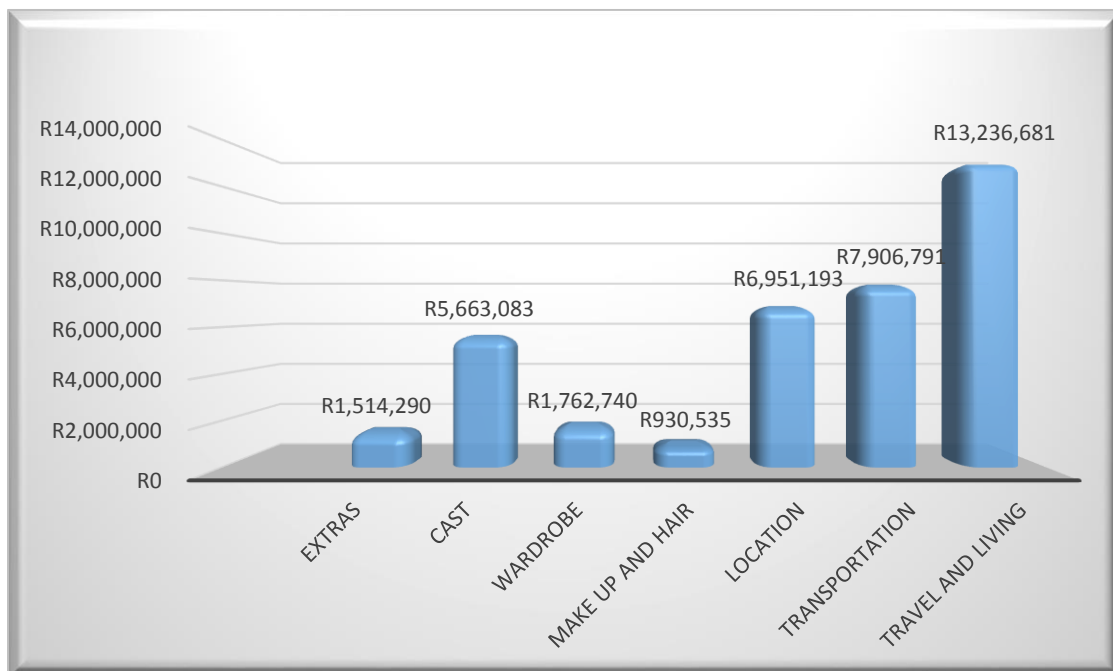
The National Film and Video Foundation (NFVF), Industrial Development Corporation and the Department of Trade and Industry are the major sources of funding in SA with various film commissions also funding film productions though they are only limited to provinces or municipalities. For the year under review 65% of co-productions of the SA budget contributions came from others sources (investment from the production company) while the DTI contributed 28% of budget and 7% was funded from the IDC. The NFVF was approached for funding.

Figure 4: Sources of funding.



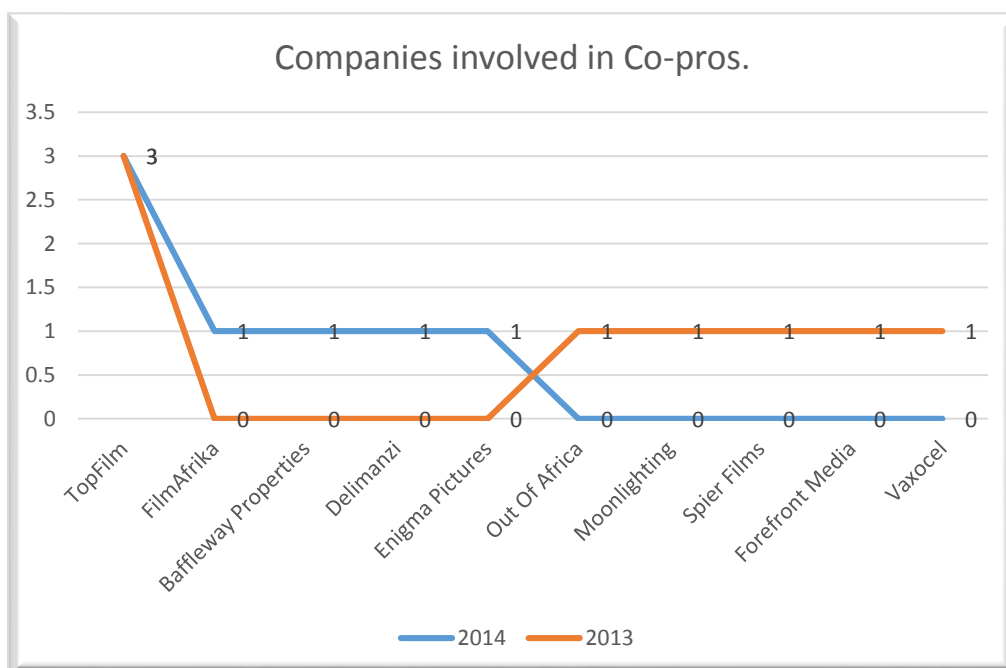
The film industry has a higher multiplier effect with a high potential of expenditure trickling down to other economic sectors. From the figure below it is evident the tourism sector and the transport sector were the biggest beneficiary with more than R13 million and R7 million spent in the two sectors respectively in the year under review. The sector with a minimal benefit was the services sector with less than a million spent on hair and makeup.

Figure 5: Budget expenditure.



From the 7 projects submitted in 2014, there are 5 companies that submitted projects for co-production. Only one company has been participating constantly in co-productions for the past two years. Top film remains constant with the number of projects submitted (3). Film Afrika submitted only one projects, with 3 new companies (Baffleway Properties, Delimanzi and Enigma Pictures) also submitting one project each.

Figure 6: Companies involved in Co-productions.



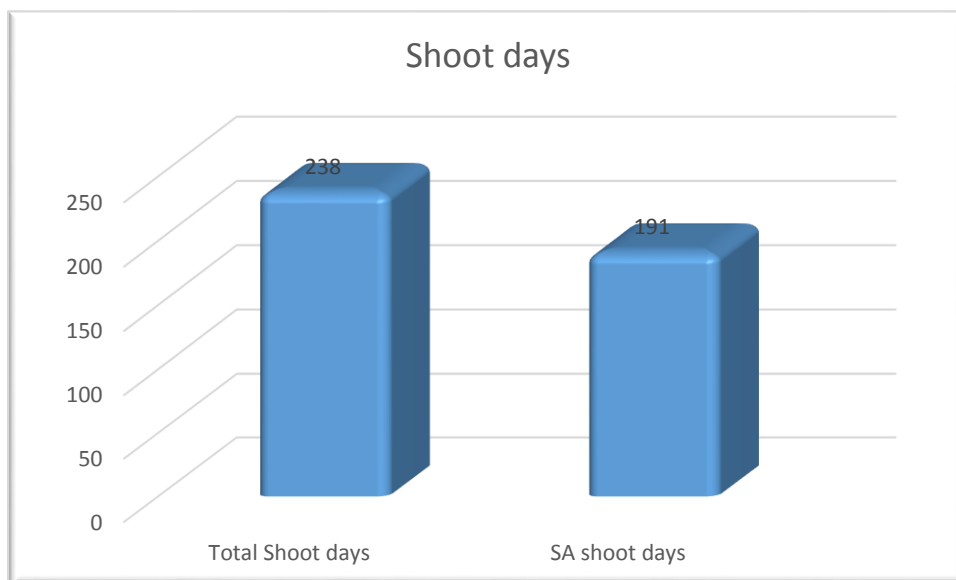
One of the necessities of co-production is job creation as they pool together human resources from both the partnering countries. From the figure below it is evident from the 7 co-production projects under review a total of 586 crew members were used in the projects and only 36 of them were South African. SA enjoy a wider distribution on the casting with a total of cast member at 120 and 71 were South African, and from the cast the projects recorded 76 leading cast members with a total of 61 drawn from SA.

Table 3: Cast and Crew composition.

Total Cast	120
SA Cast	71
Total Crew	586
SA Crew	36
Total Leading Cast	76
SA leading Cast	61

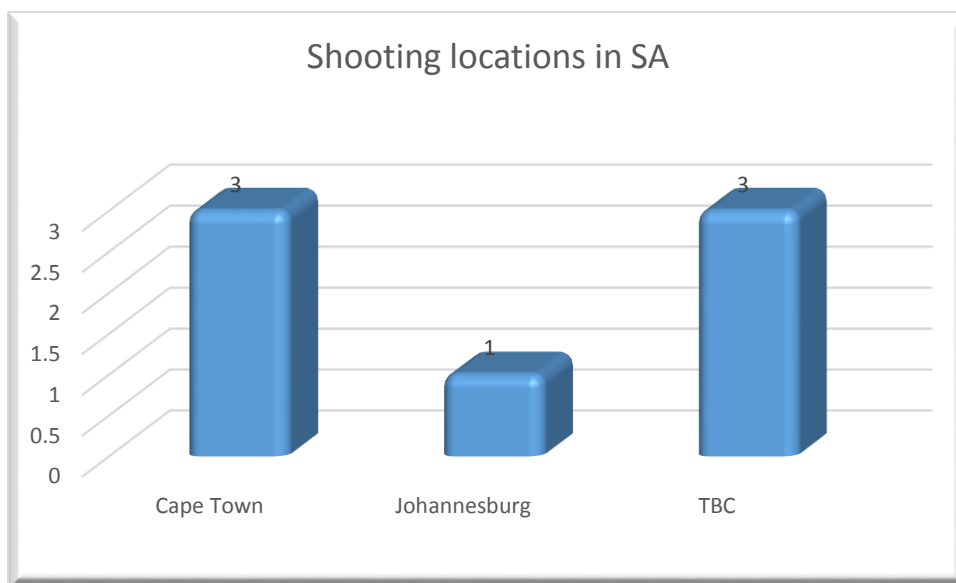
As stated above that the sector that enjoyed huge benefits from the 2014 co-production activity is the tourism sector, it is also supported by the figure below with a total of 238 shoot days recorded for all the 7 projects and SA enjoyed the highest number of shoot days (191).

Figure 7: Total number of shoot days.



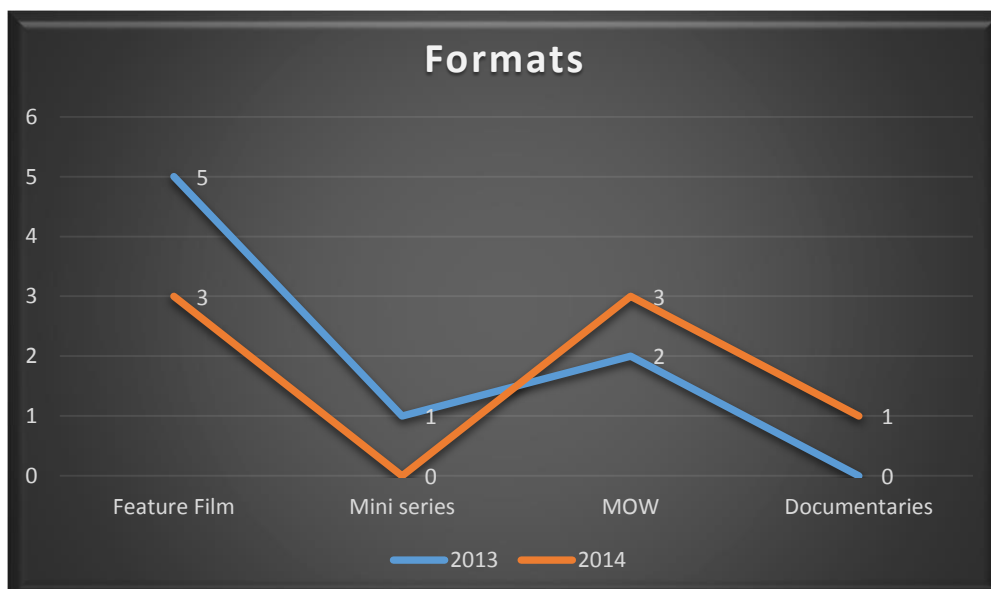
Various locations in SA were used for filming , while 3 projects did not confirm their location for filming, the city of Cape Town had 3 projects film within its borders with the city of Johannesburg receiving only 1 project.

Figure 8: Shooting locations in SA.



Feature films have made up the largest proportion of co-production activity for the past 2 years. For the period under review a total of 3 feature films were submitted against 5 in 2013. While feature film production have dropped as compared to 2013 both the documentaries and MOW have seen an increase although small, and that is the result of the general decline in the number of co-production projects.

Figure 9: Formats of projects.



The table below reveals the origin of stories and the nationalities of head writers. From all the 7 projects completed, only one story has originated from South Africa, however the head scriptwriters is of Canadian origin.

Table 4: Origin

Project	Film Based On	Nationality	Head Scriptwriter	Nationality - Head Scriptwriter
Unfriend	Original work by Mathwe Ballen &Philipp Koch	German/American	Ballen Mathwes	American
Shark killer		Canadian	Wilson Seldon/BEATTIE richard	Canadian
Mandela's Gun	Original Work by Anthos Kyriakides &Malcolm Purkey	South African	Anthos Kyriakides &Malcolm Purkey	Canadian
Against The Wild- Surviving The Serengeti	Original Work by Richard Boddington	Canadian	Boddington Richard	Canadian
Super Dad	Original Work by Mirko Schulze	German	Schulze Mirko	German
Truth and Consequences	Original Work Babara Jago	German	Jago Babara	United Kingdom
Johanna and the Bushpilot	Original Work by Timo Berndt	German	Timo Berndt	German

4. Conclusion and recommendations

While a number of co-production activations have been taking place for the past two years, still a decline in a number of co-production projects submitted is evident. One of the most essential trend to note is that most of the countries SA have co-production treaties with have a budget allocated specifically for co-productions. It is only Italy and Australia that have not allocated funds for co-productions. Italy has been dormant for a longer period.

While the global financial meltdown has been pinpointed as a possible reason for the decline in the number of co-production projects in the past years, it cannot be a reason anymore as most countries have recovered from the crisis.

Recommendations.

- South Africa should consider setting aside a budget for co-production projects in order to attract projects and also have a competitive edge amongst other co-production destinations.

- Co-productions can be complicated hence there is only a handful number of companies participating in that space. In order to broaden participation the NFVF should consider conducting workshops wherein participants will be guided on navigating co-productions.
- A better co-ordination between the DTI and NFVF is essential more specifically in relation to final budgets.

Annexure

Project	Treaty	Status	Year
Unfriend	SA/GER	Advance Ruling	2014
Shark Killer	SA/CAN	Advance Ruling	2014
Mandela's Gun	SA/UK	Advance Ruling	2014
Against the Wild - Surviving The Serengeti	SA/CAN	Advance Ruling	2014
Super Dad	SA/GER	Advance Ruling	2014
Truth and Consequences	SA/GER	Advance Ruling	2014
Johanna and the Bush Pilot	SA/GER	Advance Ruling	2014