



**national film and video foundation**  
SOUTH AFRICA

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an agency of the  
**Department of Arts and Culture**

## **CO-PRODUCTION REPORT**

**2013**

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## Acronyms

CAN	Canada
DTI	Department of Trade and Industry
RFA	France
GER	Germany
IDC	Industrial Development Corporation
IRE	Ireland
NFVF	National Film and Video Foundation
SABC	South African Broadcasting Corporation
UK	United Kingdom

## **1. Introduction**

The co-production publication is an annual report that reviews the co-production activity of the film industry between South Africa and its co-producing partners. The data for the report is sourced from applications for advanced rulings received by the National Film and Video Foundation (NFVF) from 1 January to 31 December of the year under review.

South Africa is part of a network of countries that provides formal arrangements to enable film and television productions to be officially co-produced between two or more countries. Co-production treaties create both economic and cultural benefits for the co-producing countries. Co-produced projects enjoy a wider distribution networks and have an added advantage of being classified as a local production in both participating countries. That will also allow for the story to travel to other territories other than where it originates.

They can provide and increased resources to produce the project as co-producing allows the partners to raise funds in both countries and also allow the co-producers to take advantage of the incentives available in the countries. It also allows for the producers to pull expertise and skills from the participating countries and at the same time allows for the same expertise and skills to be transferred to locals.

To date a total of 8 co-production treaties has been entered into with the following countries: United Kingdom, France, Australia, Ireland, Italy, Canada, Germany and New Zealand.

While both the Ireland and New Zealand treaties came into effect in 2012 it is expected that they will add an increase to the activities and more revenue. To ensure that the treaties become operational, the NFVF undertook several co-production activations in 2013. There were four co-production forums at Cannes, which focused on Australia, France, Ireland and New Zealand. A New Zealand delegation led by the NZFC also attended the Durban International Film Festival, where a network session between selected producers from these two countries was held. These interactions are organised with the expectation that they will lead to increased co-production activities between South Africa and its the participating countries.

The 2013 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 December 2013. A total of 8 projects were received, captured and analysed for the purpose of this report.

### 3. Findings

South Africa's co-production activity reached its peak in 2011. Despite new co-production treaties coming into effect in 2012, a decline in co-production activities as evidenced by figure 1 below was experienced. The decline started in 2012 where the projects declined from 16 in 2011 to 12 projects in 2012 which continued to 8 projects for 2013. The decline is taking place at a rate of 4 projects a year.

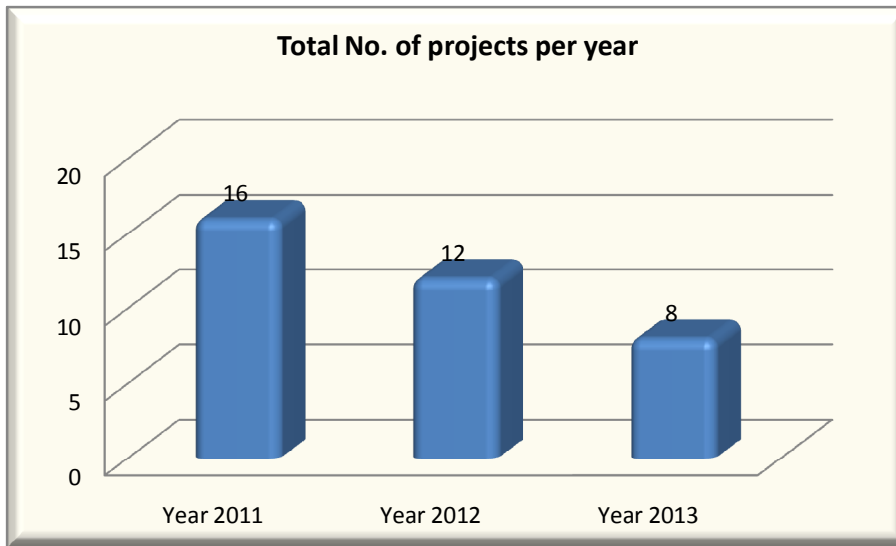
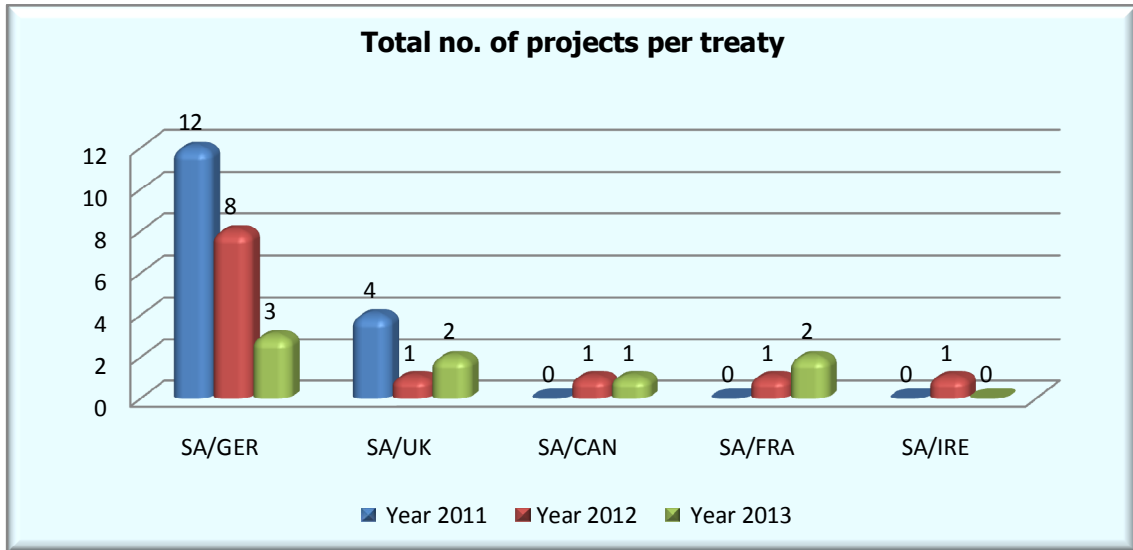


Figure 1: Total number of projects per year

The apparent decline in the number of projects as observed from figure 1 above is given a clear indication of where the shift is taking place in figure 2 below. The graphs clearly indicate the drastic decline from the SA/GER with the number of co-productions projects dropping from 8 to 3. However both the SA/UK and the SA/FRA treaties increased with one project each in the year under review thereby minimising the drop. The SA/IRE treaty which is relatively new also dropped from a single project in 2013 to a zero while the SA/CAN treaty remains constant with one project in both years.



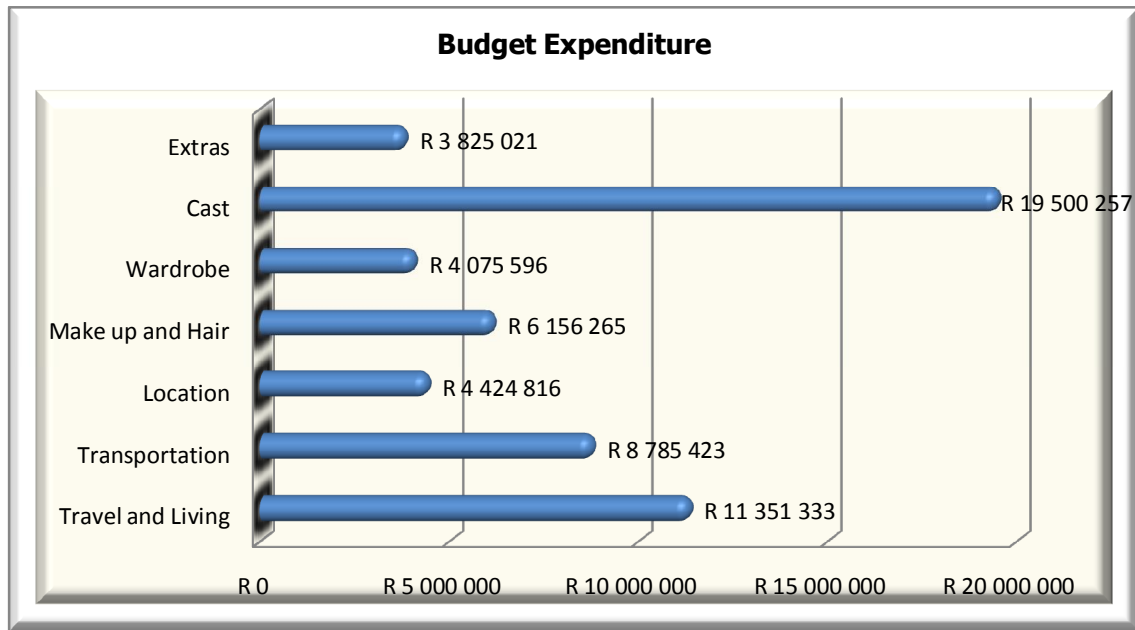
**Figure 2: Total number of projects per treaty**

The table below reflects the budget and financial participation of co-producing countries. From all the 8 projects under review, a total budget of R 394 102 335 was raised with a 25.2% South African contribution and the remaining 74.8% coming from the co-producing partners territories. The bigger portion of the budget came out of the SA/ GER treaty where SA contributed 16.6% while the lowest budget was on the SA/CAN treaty which SA contributed 34.1% of the budget.

Treaty	No. of projects	SA contribution	% of SA contribution	Foreign contribution	% of foreign contribution	Total budget
SA/UK	2	R 37 074 165	26.4%	R 103 243 621	73.6%	R 140 317 782
SA/GER	3	R 26 185 000	16.6%	R 131 657 599	83.4%	R 157 842 599
SA/FRA	2	R 30 336 782	38.4%	R 48 762 136	61.6%	R 79 098 918
SA/CAN	1	R 5 743 007	34.1%	11 100 036	65.9%	R 16 843 036
<b>Total</b>	<b>8</b>	<b>R 99 338 954</b>	<b>25.2%</b>	<b>R 294 763 392</b>	<b>74.8%</b>	<b>R 394 102 335</b>

**Table 1: Budgets**

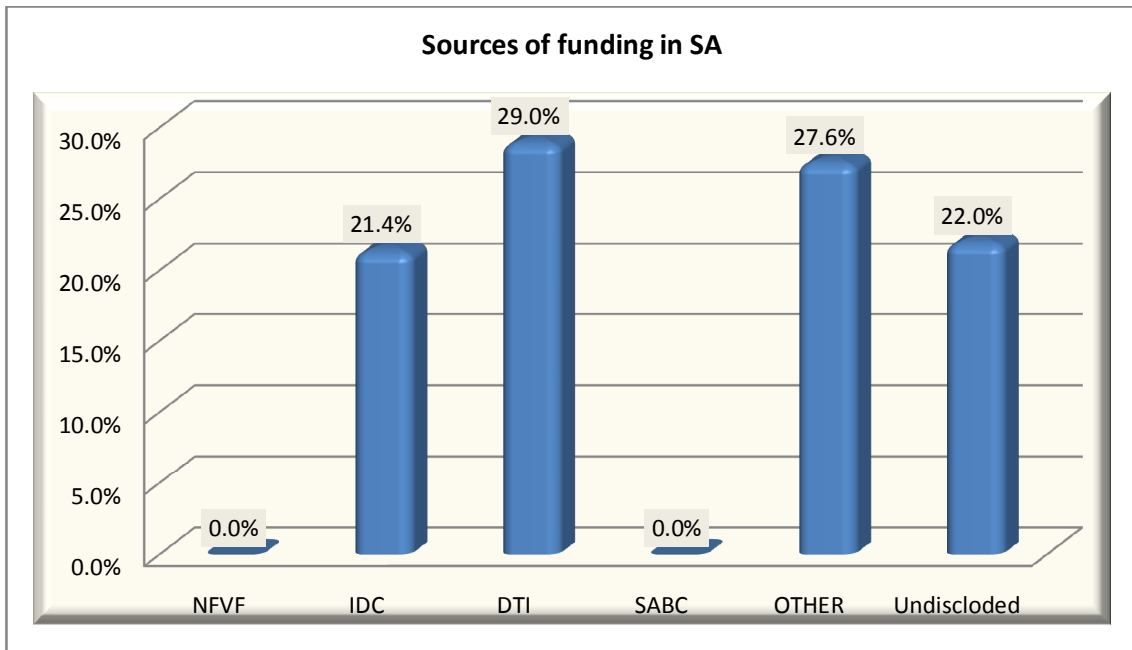
Film production has a trickledown effect on a number of other economic sectors. Figure 3 indicates that other industries such as the hospitality and transport had services procured from them during the production of these projects .The highest expenditure of more than R19 million was spent on casting while R11 million was spent on local travel and living expenses.



**Figure 3: Budget Expenditure**

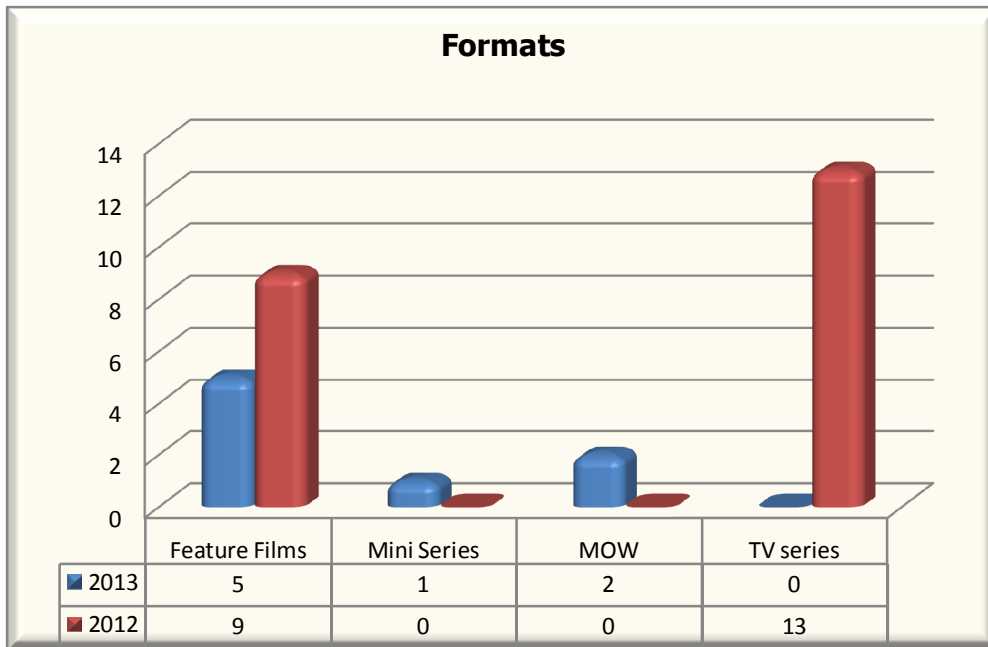
South Africa has various institutions that offer production funding. One of the objectives of co-producing is to pull together financial resources from the two co-producing partners. From the analysis below it is evident that the SA co-producers relied only on funding from the Department of Trade and Industry (DTI) and the Industrial Development Corporation (IDC). The DTI contributed 29% to the SA budget while the IDC contributed 21.4%. Other sources of funding which includes the production companies own investment, producer’s deferrals and licensing rights made 27.6% of the budget while the source of the remaining 22% was not disclosed.





**Figure 4: Sources of funding in SA**

Feature films makes up the largest proportion of co-production activity, they have been the most consistently produced format over the years. While the co-production activity yielded 9 feature film projects in 2012, the numbers dropped to 5 in 2013 partly due to the fact that the general co-production activity dropped in the year under review. TV series have dropped drastically from a total of 13 in 2012 to a zero in 2013.



**Figure 5: Formats of projects.**

The 8 projects under review were produced under 4 different genres. Drama was the most preferred genre with a total 62% while the western genre and thriller are both at 13% and action came closer with 12%

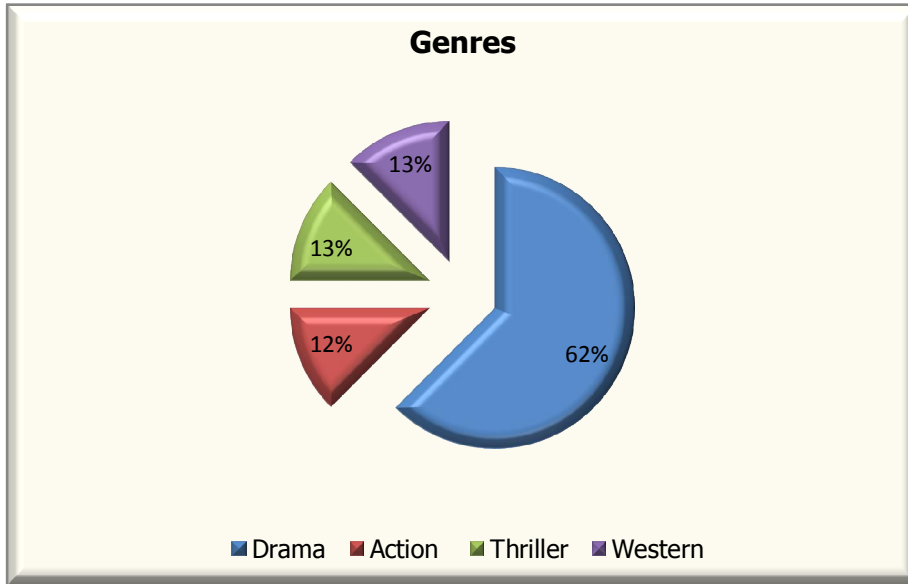


Figure 6: Genres

A total of 303 shooting days were allocated for the 8 projects. From the 303 days allocated 269 of them were spent shooting in SA which meant more employment days for the SA cast and crew members.

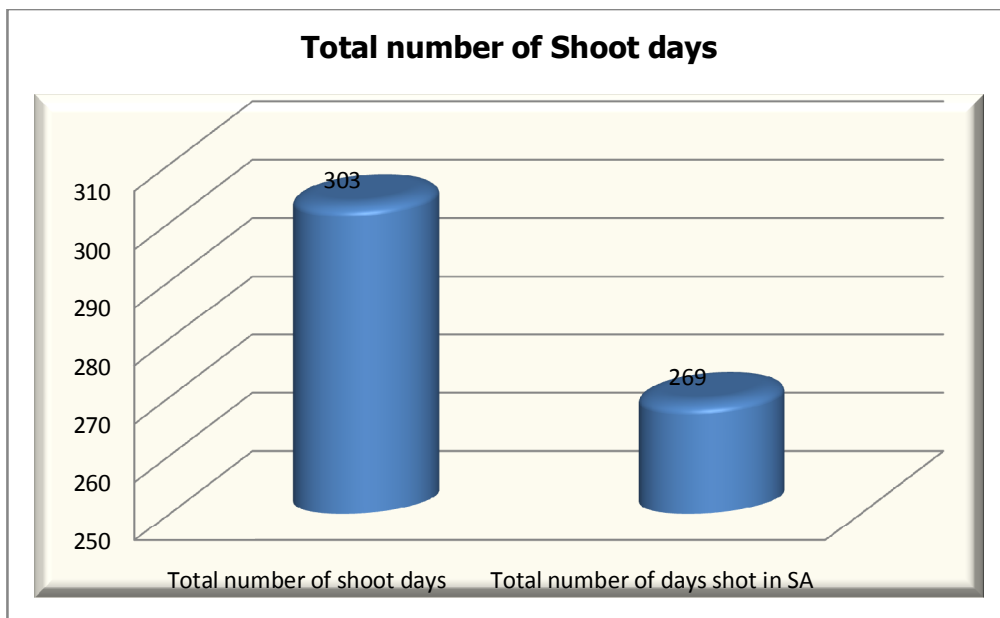
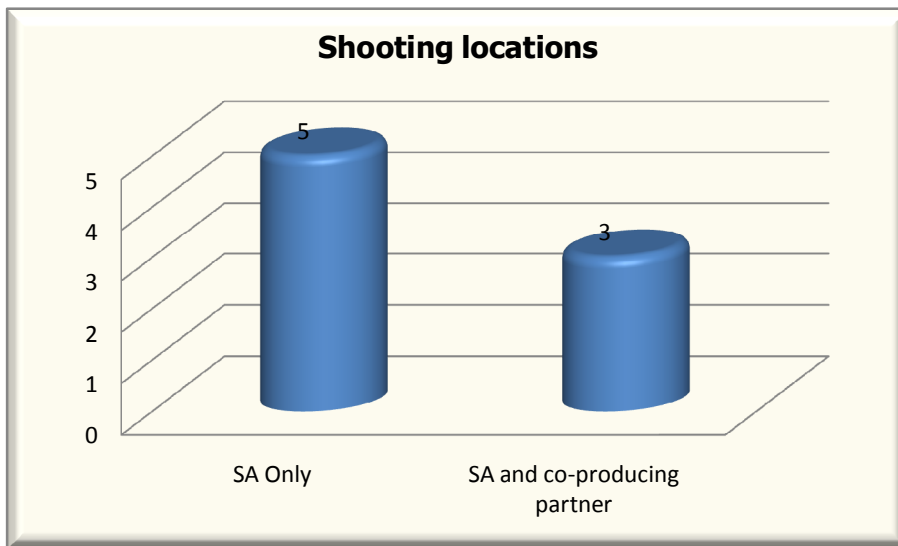


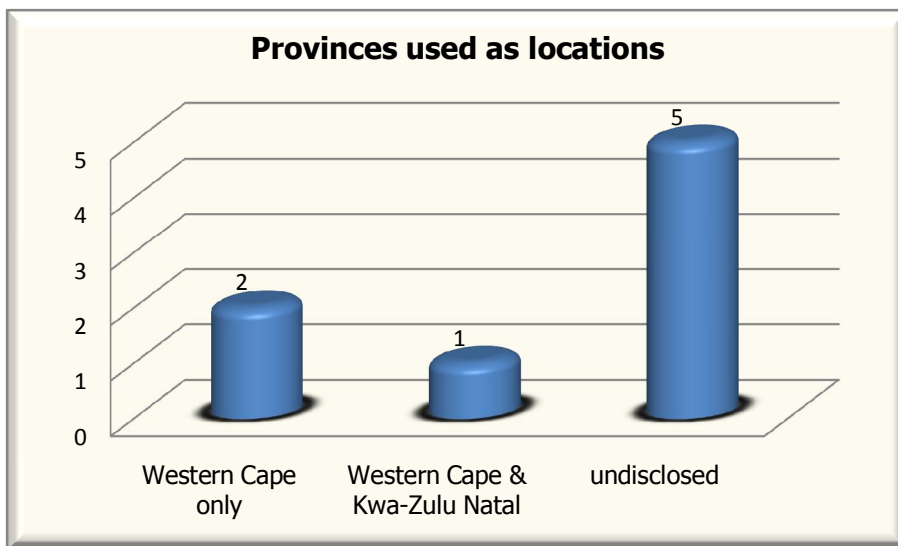
Figure 7: Total number of shoot days in SA

SA enjoyed more exposure of its locations as 5 of the projects under review were shot entirely in the country while the remaining 3 were shot in SA and its co-producing partner's locations.



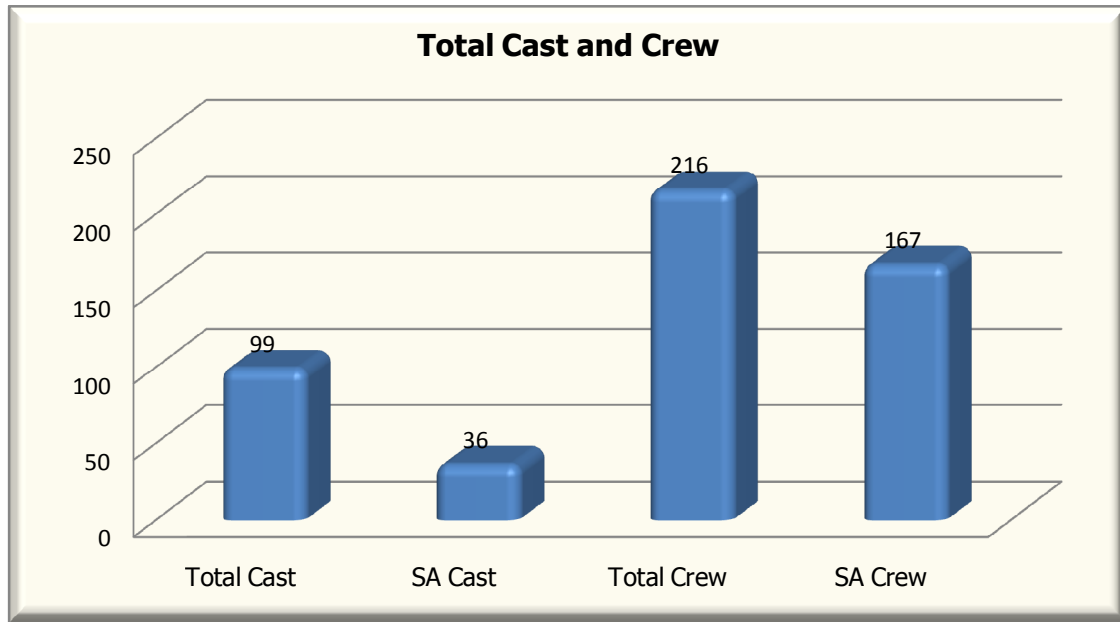
**Figure 8: Shooting locations**

By the time of writing this report, a total of 5 projects had not yet confirmed its provinces or cities where they were going to film their projects. However from those that had confirmed, the Western Cape remained the most preferred shooting location with 2 projects filmed entirely in the Western Cape while 1 project was shot both in the Kwa-Zulu Natal and Western Cape provinces.



**Figure 9: Provinces used as locations**

Cast and crew participation for co-productions is determined by financial contributions of the partners. From all the 8 projects a total of 99 cast members were used 36 of those were South Africans. From the 216 that participated as crew members 167 of them were South Africans.



**Figure 10: Cast and crew**

For 2013, 6 South African companies participated in co-production deals. From the 6 participating companies there were 2 that were new to the co-production. Both Forefront Media and Vaxocel T/A as Tiger House were the new comers in co-productions. Film Afrika which have been participating consistently for the past years had no project while Out of Africa, Two Oceans and Moonlighting which are also consistent participators in co-productions were active in the year under review with Two oceans leading with 3 projects and Both Moonlighting and Out of Africa had 1 project each.

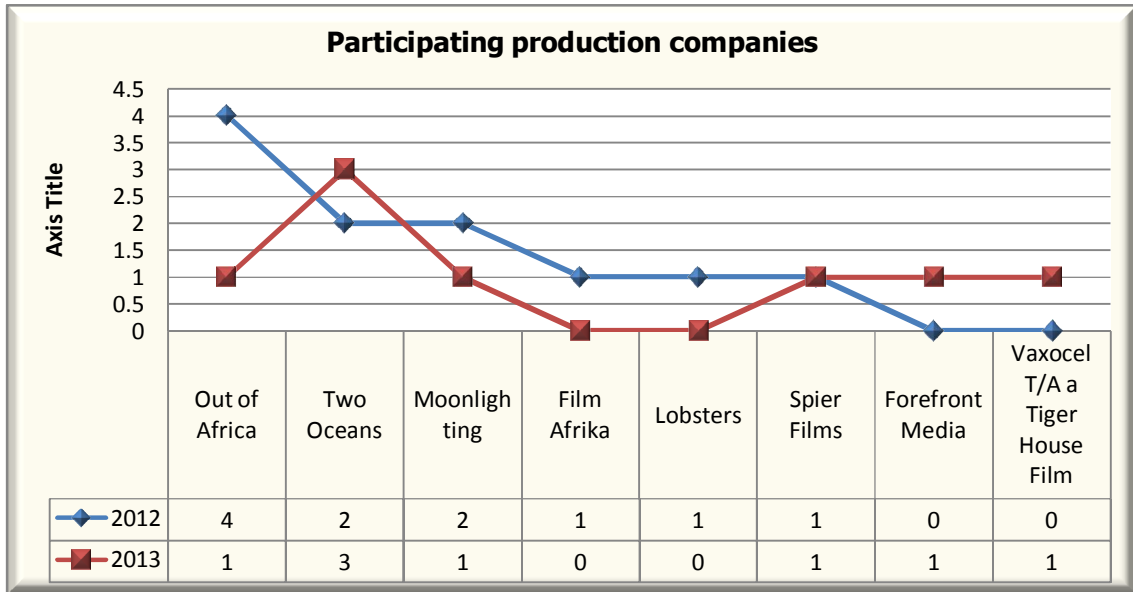


Figure 11: Participating companies

Co-production treaties allows for stories to originate from either of the co-producing countries and in the process allow for ones story to travel to other territories. For the year in review none of the stories came from SA while both Germany and France both had stories coming from them and the partners provided one story each. While SA does not have a co-production treaty with Denmark, there is one story that came out of that country solely because of the association of Denmark and the UK.

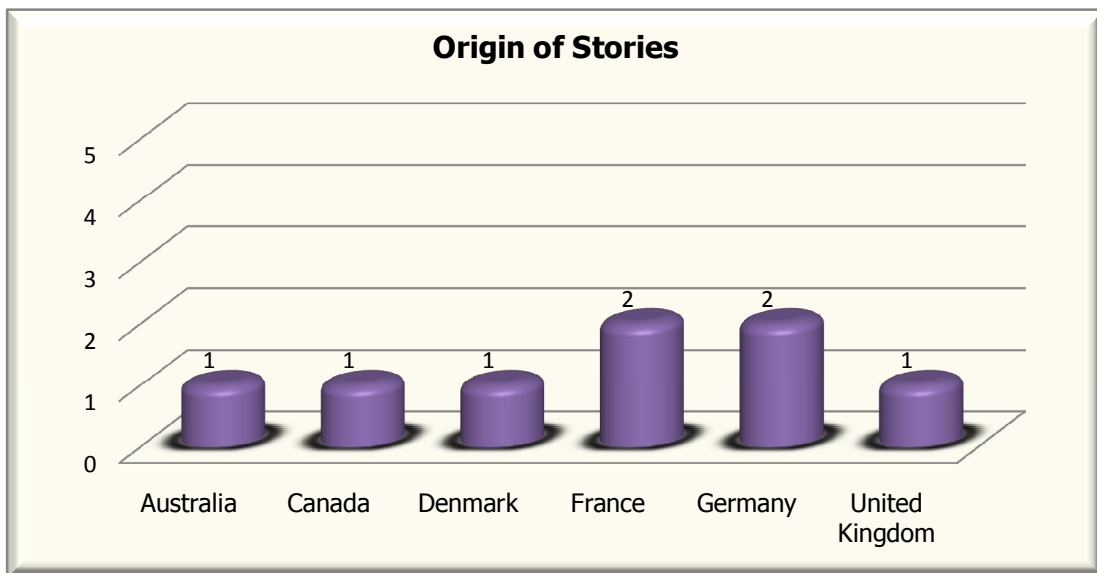


Figure 12: Origin of Stories

As stated from the above figure none of head writers came from SA due to the fact than none of the stories came out of SA. Nationalities of the head writes are mainly from SA co-producing partners with each equal to the number of projects from the

participating countries. Two head writers came from France as we also had two projects coming from that territory and the same applied for Germany. Again we have one head writer coming from Denmark and as elaborated in the figure above, the writer came from the UK association with Denmark.

Project	Story Origin	Country of Origin	Head Writer	Nationality of Head writer
Accident	Original work by Dan Tondowski	France	Dan Tondowski	French
Book of Negroes	Novel by Lawrence Hill	Canada	Lawrence Hill & Clement Virgo	Canadian
Solo Flight	Original work by Rodica Doehnert	Germany	Rodica Doehnert	German
Tiger House	Original work by Simon Lewis	Britain	Simon Lewis	British
Ladygrey	Original work by Hubert Mingarelli	France	Alain Choquart & Laurence Coriat	French
Northmen- A Viking Saga	Original work by Bastian Zach & Matthias Bauer	Austria	Bastian Zach & Matthias Bauer	Austrian
The road to freedom	Original work by Rainer Matsutami	Germany	Rainer Matsutami	German
Salvation	Original work by Anders Thomas Jensen and Kristian Levring	Denmark	Anders Thomas Jensen	Danish

Table 2: Origin of stories and Nationalities of head writers.

#### 4. Conclusion

The NFVF had anticipated that the new co-production treaties would bring new interest from producers and thereby increase the number of co-production activities, however a decline occurred. The decline in the number of co-productions could be attributed to the continued global financial meltdown as companies look to undertake projects with less financial risk and a lot of countries are still trying to recover. The co-production activations programme conducted by the NFVF in November remains a hope to ensure that the treaties meet their expectations and more filmmakers take advantage of the treaties.

The NFVF led a South African filmmakers' delegation to New Zealand and Australia from 10-22 November 2013. The aim of the programme was to expose South African producers to a network of producers in both New Zealand and Australia. The programme in both countries included network sessions, market participation at the Screen Producers Conference in Australia, pitching sessions and the screening of five South African films in Wellington, New Zealand.

It is anticipated that this programme will open doors and co-producing opportunities for collaborations between the respective countries.

Unfortunately, the report also highlights the imbalance with regard to the origin of stories; wherein none of the 8 projects stories is of South African origin. In the 2012 co-production review *Long Walk to Freedom* was the only project with a local story. This highlights the need for South African co-producers to strive towards being originators, majority co-producers with creative control over co-productions.

## ANNEXURE 1

<b>Project Name</b>	<b>Treaty</b>	<b>Status</b>	<b>Year</b>
Accident	SA/FRA	Advance ruling	2013
Book of Negroes	SA/CAN	Advance ruling	2013
Solo Flight	SA/GER	Advance ruling	2013
Tiger House	SA/UK	Advance ruling	2013
Ladygrey	SA/FRA	Advance ruling	2013
Northmen-A Viking Saga	SA/GER	Advance ruling	2013
The Road to Freedom	SA/GER	Advance ruling	2013
The Salvation	SA/UK	Advance ruling	2013