



NVSTUDIOS.TV

A South Africa film industry production guide



South Africa is one of the world's prime film and television production hotspots, thanks to the favourable exchange rate of the South African Rand against major currencies; creative Department of Trade & Industry (DTI)-facilitated production incentives and rebates; internationally-renowned crews, production facilities and availability of technology, as well as pristine, predictable weather and diversity of beautiful locations and scenery.

NV Studios has a reputation for delivering high-quality international productions and co-productions on the back of vast experience, delivering creative solutions that ensure high production values, no matter the setting and location – whether in South Africa or further afield.

With access to the country's most experienced and sought-after talent; production; unit; legal; business and financial personnel to deliver a fully-integrated production service with excellent infrastructure, NV Studios is well-placed to facilitate scalable production opportunities across the board.



SOUTH AFRICAN DEPARTMENT OF TRADE & INDUSTRY (DTI) PRODUCTION REBATES

(The exchange rate applied herein is USD 1 = R14.50 -the actual rate may vary)

The South African Foreign Film Incentive pays a cash rebate of 25% on Qualifying South African Production Expenditure (QSAPE). An additional 5% is accessible on projects which invest at least R1.5million (\$110,000) on Qualifying South African Post-Post Production (QSAPPE), with the rebate capped at R50million (\$3.45million).

South African Labour, Goods and Services fall under the QSAPE, while non-qualifying expenditure includes:

- Publicity and Marketing Costs (including EPK production);
- Financing Expenditure;
- Entertainment and Gratuities;
- The purchase of Production & Software Equipment.

Spend which qualifies under QSAPPE [Qualifying South African Post-Post Production Expenditure] includes:

- License Fees;
- Post-Production of Editorial & Sound;
- VFX.





Key requirements:

- QSAPE of R15 million (\$1.1million) and QSAPPE of R1.5 million (\$110,000) to qualify for the full 30% DTI rebate.
- Provisional approval for the project must be secured from the DTI before principal photography begins. The DTI must grant provisional approval of the project before commencement of principal photography. In our experience, the initial application needs to be submitted no later than 3 months prior to commencement of filming.
- At least 50%, or 21 calendar days of principal photography, must take place in South Africa. The DTI has discretionary capacity to waive the scheduling requirement for productions with a spend in excess of R100 million (\$7million) QSAPE.
- A minimum of 30% of QSAPE must be procured from majority South African Black-owned companies.

NV Studios is able to facilitate the management of the entire application process, from initial application to final receipt and repatriation of the rebate. The timeframe is subject to change, but it is generally received within an approximate window of 9 months after final submission.

VISAS & PERMITS

Visas, work permits and immigration into South Africa are regulated by the South African Department of Home Affairs regulates. **NV Studios is able to facilitate the entire visa application process, up to delivery.**

Visitors' Visas with permission to work in the entertainment industry in South Africa have a validity period of up to 90 days. Applications must be processed at the SA Mission in the applicant's country of nationality or normal residence, prior to travel to South Africa. The application form and required documentation must include a letter of sponsorship from the South African producer. The processing period for a visa is a minimum of five working days.

Work permits for actors and film crew for periods exceeding 90 days, to a maximum period of three years, are also available. Applications must also be submitted at the SA Mission abroad in the country of nationality or normal residence of the applicant. Over and above the application form, required documentation and letter of sponsorship from the South African producer, the application must also include proof of contract from the international producer, a medical & radiologist report and police clearance certificate. Processing of these extended work permits takes between five and ten working days.

An Oversight Traveller Visitor's Visa is applicable for film industry producers, location scouts and personnel on visits for purposes of project development. These visas are issued at Port of Entry. All nationals of countries that are not visa exempt must apply for visas at a SA Mission in their country of nationality or normal residence.

IMPORTANT: South African customs regulations require that persons travelling to South Africa have at least three blank pages in their passports, which is non-negotiable.

SOUTH AFRICAN PRODUCTION TAX REGULATION

Visiting Artistes & Performers (Entertainers and Sportspersons)

South Africa has Double Taxation Agreements (DTAs) with the USA, UK, Canada and most European countries, which allows for any tax withheld in South Africa to be credited towards any taxes payable by the performer in the country in which they are regularly taxed.

The South African Revenue Service' (SARS) official statement on the matter is:

"In terms of the new withholding tax system, producers and others who make payments to foreign entertainers and performers in South Africa on or after August 1, 2006 will have to withhold a 15% tax from payments. Where it is not possible for the withholding tax to be imposed, the foreign entertainer or performer will be liable for the payment of the 15% tax".

A resident who agrees to fund, organise or facilitate a performance for reward is required to notify SARS of the performance within 14-days of concluding the agreement. The onus of disclosure and payment rests with the performer and/or their employer. In terms of the legislation, the South African co-production, service partner or senior manager is required to inform SARS of performers working in South Africa.

Value Added Tax in South Africa is levied at 15%, but is refundable on foreign productions, and for foreign visitors. The refundable portion excludes spend on hotels, the rental of passenger vehicles and catering. The figures quoted in these tables exclude VAT. For cash flow purposes in terms of production accounting, NV Studios recommends allocating +/- 11% of Rand expenditure, to cover VAT expenses.

PRODUCTION RATES

The South African production industry is not regulated by union agreements, but there are certain industry standards and expectations in place, across the board.

Crew

South African film crews are amongst the most skilled and highly-rated in the world.

For short shoots of four weeks or less, South African crews generally work 6-day weeks at 12 hours a day, including travel within 35km of a city centre.

On shoots longer than 4 weeks, it is preferable to shoot a five-day week or an 11 day fortnight. Overtime is paid at 1.5 x the hourly rate. The seventh consecutive day is considered a rest day and is charged at 1.5 times the normal daily rate. Turn-around time is generally considered to be 2x 10 hours and 2x1 1 hours per week. Fringes on South African labour are levied at 4.5%.

Cast

South African performers regularly feature in lead and support roles on major international productions, thanks to the sheer volume of shoots that occur in the country. Their professionalism and talent are recognised throughout the international industry and NV Studios is proud to have access to a pool of the country's finest talent.

Our South African talent pool reflects the country's diverse population, with a mix of ethnicities and cultures that mirrors that of the modern US, Europe and Asia.



Catering

Daily on-set catering generally comprises a breakfast, main meal and craft, available throughout the day. On-set meals should be provided every six hours, after call time.

Equipment

South Africa has access to some of the most advanced equipment in the world, which often matches and exceeds global industry standards.

Rate card for crew and facilities available on request.

PRIME LOCATIONS

Situated at the southern tip of Africa, Cape Town has long been established as a premier international production destination for films, series and commercial production. Boasting stunning natural beauty, a diverse mix of talent and crew; tremendous technical expertise; excellent creative support; strong logistics and infrastructure – and fantastic value for money – Cape Town offers unrivalled production opportunities.

Cape Town itself is cosmopolitan and flexible in terms of locations, and a short drive up the West Coast sees the modern architecture give way to a rugged coastline, backed by rolling landscapes and craggy mountains. In the northern reaches of the province, adjacent to Namibia, the coastline gives way undulating dunes and incomparable lunar-type landscape.

Central South Africa consists of vast arid open landscapes of scrub and canyons, comparable to the landscapes of the Australian outback, or even Arizona. Johannesburg is a bustling metropolis with high-rise, high density urban living, with the gritty inner-city offering both pockets of decay and trendy warehouse redevelopments, surrounded by a sprawling suburban mix of luxurious centuries-old mansions and cutting-edge modern architectural marvels, with lush gardens.

Within a short transfer from Johannesburg is the abundant African bush, featuring dramatic landscapes and opportunities to work with film-friendly “big five” animals





Durban and KwaZulu-Natal, on the country's East Coast, is a popular destination for shows seeking a more tropical backdrop, offering settings like the Valley of a Thousand Hills or pristine coastlines with lush jungle-like vegetation.

South Africa is known for its temperate and predictable weather, with Summer running from September to May. Winters are cold by local standards, but the temperature rarely drops below 0 degrees Celcius (32 degrees Fahrenheit) in all but the most remote desert areas, or atop the mountains of the Cape or those in neighbouring Lesotho.

Rainfall periods are fairly clearly defined, with rain occurring largely in Summer in the North, and Winter in the South, meaning that production opportunities are largely guaranteed, year-round. The Western Cape has largely emerged from the drought conditions which made international headlines over the last few years, but it is important to note that South Africa at large remains a water-stressed country and every effort should be made to conserve water.

PRODUCTION FEES

Production fees are generally standard across the country's top service companies, and depend on services provided:

- Production service fees average \$25,000 per shoot week, depending on the complexity of the project and the level of support required.
- Rebate management fees are based on a percentage of rebate secured.
- For treaty co-production, a co-producer fee of about 1% of budget is generally levied.

