

**COPRODUCTION AGREEMENT
IN THE AREAS OF FILM, TELEVISION AND
ON-DEMAND AUDIOVISUAL MEDIA SERVICES**

BETWEEN

THE GOVERNMENT OF THE FRENCH REPUBLIC

AND

THE GOVERNMENT OF CANADA

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AND

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(the “Parties”),

RECOGNIZING that coproductions governed by an agreement contribute to the vitality of their film, television and on-demand audiovisual media services industries and to the development of their economic and cultural exchanges;

APPRECIATING that cultural diversity is nurtured by constant exchanges and interactions between cultures and that it is strengthened by the free flow of ideas;

CONSIDERING that, in pursuit of international cooperation, the UNESCO *Convention on the Protection and Promotion of the Diversity of Cultural Expressions*, done at Paris on 20 October 2005, to which the French Republic and Canada are parties, encourages coproduction agreements as a means of promoting international cooperation;

AGREEING that these exchanges may enhance their mutual relations;

RECOGNIZING that these objectives may be achieved by granting domestic benefits to qualified coproductions governed by an agreement;

HAVE AGREED as follows:

ARTICLE 1

Definitions

For the purpose of this Agreement:

-“administrative authority” means, for each Party, the authority that implements this Agreement;

-“coproducing States” means the Parties and third States, when applicable;

-“elements”:

(a) “Canadian elements” means expenditures committed in Canada by the Canadian producer and expenditures on Canadian creative and technical personnel committed in other States by the Canadian producer, in the course of the production of a work;

(b) “French elements” means expenditures committed in France by the French producer and expenditures on French creative and technical personnel committed in other States by the French producer, in the course of the production of a work;

-“national” means:

- in the case of Canada, any natural or legal person as defined by the laws of Canada;

- in the case of France, a natural person of French nationality. With regard to works of animation, it can also be a legal person established in France. A legal person is deemed to be established in France if it actually conducts business activity through a stable and lasting presence in France and if its headquarters is located in France, in another Member State of the European Union, or in a State party to the *Agreement on the European Economic Area*, done at Porto on 2 May 1992. For the purpose of this Agreement, the following persons are considered to be nationals:

(a) a national of a Member State of the European Union or of a State

party to the *Agreement on the European Economic Area*; or

(b) a natural person who is not a national of one of the States referred to in sub-paragraph (a) above who holds a French resident card or an equivalent document issued by a Member State of the European Union or by another State party to the *Agreement on the European Economic Area*;

-“non-party State” means a State other than the coproducing States;

-“on-demand audiovisual media service” means any electronic public communication service for the viewing of programs, at the moment chosen by the user and at his or her request, from a catalogue of programs selected and organized under the supervision of the provider of this service;

-“producer” means:

- in the case of Canada, a Canadian national that manages the production of a given work;

- in the case of France, a production company established on French territory that manages the production of a given work and who meets the conditions set by French law;

-“third State” means a State or territory with which both of the Parties have concluded a coproduction agreement or a memorandum of understanding applicable to the given type of work and that has a national involved in the work as a producer;

-“work” means a work of any duration, consistent with the domestic law of each of the Parties, of fiction, animation or a documentary consisting of an animated sequence of images, with or without sound, intended for initial release, either in a theatre, on a television service or an on-demand audiovisual media service.

ARTICLE 2

Benefits Granted

1. The Parties shall consider works coproduced under this Agreement as domestic productions, subject to compliance with the domestic law of each of the Parties.
2. The works produced under this Agreement are eligible, subject to compliance with the domestic law of each of the Parties, to the benefits that result from the same domestic law provisions regarding the given type of work. The Parties shall exchange lists of documentation associated with these benefits when this Agreement comes into force.
3. The aforementioned benefits accrue solely to the producer established in the territory of the country that grants them.

ARTICLE 3

Procedure for Application

1. Each Party shall determine the applicable procedure for obtaining coproduction status and establish a list of documents to be included in the application. Each Party shall notify the other Party.
2. The Parties undertake to communicate in writing, through their respective administrative authorities, the substance of any substantial amendment to the guidelines governing the granting of coproduction status.
3. Each Party shall ensure that applications for coproduction status completed by its producer are consistent with the procedures in place and, in particular, comply with the conditions set out in this Agreement.
4. The Parties undertake to communicate, through their respective administrative authorities, any information in relation to the granting,

rejection, modification or withdrawal of applications for coproduction status, to the extent permitted under their respective legislation.

ARTICLE 4

Producers

1. To be eligible under this Agreement, a work must be coproduced by at least one producer from each of the Parties.
2. A producer from a third State may also participate in the work in accordance with the provisions of the coproduction agreements applicable to that work concluded by the Parties with the third State in question.
3. The Parties may, through the mutual written consent of their respective administrative authorities, exceptionally and on a case-by-case basis recognize a work involving the participation of a producer from a State or territory with which only one of the Parties has concluded a coproduction agreement or a memorandum of understanding applicable to the given type of work. In this case, this State or territory is deemed a third State.

ARTICLE 5

Minimum Financial Contribution by Producers

1. The minimum financial contribution by the French producer to a work and by the Canadian producer to the same work shall not be lower than twenty (20) percent of the total production budget.
2. For cinematographic works, the minimum financial contribution may be reduced to fifteen (15) percent of the total production budget, or to ten (10) percent of the total production budget for French-language cinematographic works, with the mutual consent of the administrative authorities.

3. In the case of a work coproduced with a third State, the minimum contribution by the producers other than the French and Canadian producers shall not be lower than ten (10) percent of the total production budget.

ARTICLE 6

Other Participants

1. In order for the work to be eligible under this Agreement, each participant, other than the producers, must be a national of one of the coproducing States.

2. However, the Parties may, through the mutual written consent of their respective administrative authorities, derogate from paragraph 1 and grant exemptions, notably to allow nationals from a non-party State to participate in a work for storyline, creative, or production purposes. With respect to key positions, such an exception, may apply to only one of the positions listed in Article 7 of this Agreement.

ARTICLE 7

Key Positions

For the purpose of this Agreement, “key position” refers to the following positions, listed below by type of work:

- (a) animation:
- director,
 - screenwriter or, in the case of France, graphic author,
 - music composer or sound designer,
 - lead actor (voice) or second lead (voice),
 - animation director,
 - storyboard supervisor or picture editor,

- special effects director or stereoscopy director,
- layout director;

(b) documentary:

- director,
- screenwriter or researcher,
- music composer,
- lead actor or narrator,
- sound designer,
- director of photography,
- production designer,
- picture editor;

(c) fiction:

- director,
- screenwriter,
- music composer,
- lead actor,
- second lead,
- director of photography,
- production designer,
- picture editor;

(d) for hybrid works made up of several types, the positions to be included in key positions shall be determined through the mutual written consent of the administrative authorities.

ARTICLE 8

Overall Funding and Distribution of Key Positions

Every five years, the Parties shall review whether a general balance has been ensured between their respective contributions to the works coproduced and shall endeavour, in particular, to:

- (a) achieve an overall balance of the financing; and
- (b) encourage the allocation of key positions, under Article 7 of this Agreement, to their respective nationals in similar proportions.

ARTICLE 9

Proportionality

1. The share of Canadian elements in a work is in reasonable proportion to the Canadian financial participation.
2. The share of French elements in a work is in reasonable proportion to the French financial participation.
3. The Parties may, through the mutual written consent of their respective administrative authorities, derogate from paragraphs 1 and 2, and grant exemptions, in particular as regards the expenditures related to storyline and creative purposes.

ARTICLE 10

Location and Technical Services

1. Subject to the exceptions in paragraphs 2 and 3 of this Article, the shooting (or, for animation works, production) as well as all the technical

services linked to the production of the work are undertaken in the territory of the coproducing States.

2. The Parties may, through the mutual written consent of their respective administrative authorities, allow a work to be filmed or produced in the territory of a non-party State for storyline or creative purposes.

3. The Parties may, through the mutual written consent of their respective administrative authorities, allow technical services to be carried out in the territory of one or more non-party States provided that the producers demonstrate the non-availability of those services in any of the coproducing States, and provided that the value of such services does not exceed twenty-five (25) percent of the total production budget of the work.

ARTICLE 11

Dubbing

1. All dubbing services of a work, in English and French, shall be performed in the coproducing States.

2. Where a producer can reasonably demonstrate that the dubbing capacity does not exist in any of the coproducing States, the administrative authorities may, by mutual written consent, allow the dubbing to be performed elsewhere.

ARTICLE 12

Credits

1. The credits of a work must be presented as a “Canada–France coproduction” or “France–Canada coproduction”.

2. In the case of a work coproduced with a third State, the credits of the work must be presented as a “Canada–France–(Name of the third State) coproduction” or “France–Canada–(Name of the third State) coproduction”.

ARTICLE 13

Movement of Equipment and Personnel

Subject to their domestic law, their respective international commitments, and in the case of France, to European Union law, the Parties shall facilitate the import and export of equipment necessary for the purpose of coproducing works under this Agreement. The Parties shall endeavour, in accordance with the aforementioned law and commitments, to facilitate the entry and residence in its territory of the artistic and technical personnel collaborating on the work.

ARTICLE 14

Distribution of Rights and Revenues

Subject to the applicable domestic law in the coproducing States, the Parties shall, through their respective administrative authorities, ensure that distribution of rights on the work and revenues are reasonably proportional to the financial contribution of their respective producers.

ARTICLE 15

Distribution and Broadcast

1. For television and on-demand audiovisual media service works, each Party shall, through its administrative authority, ensure that its producer demonstrates the existence of a distribution or broadcasting commitment, in the territory of each coproducing State.
2. For cinematographic works, each Party may, through its administrative authority, require that its producer demonstrate the existence of a distribution or broadcasting commitment for the work in its country.

3. The Parties may, through the mutual written consent of their respective administrative authorities, accept an alternative distribution or broadcasting commitment in lieu of the commitment described in paragraphs 1 and 2.

ARTICLE 16

Significant Changes to a Work

Each Party shall ensure that its producer promptly advises its administrative authority of any material change to a work that may affect its qualification for benefits from the application of this Agreement.

ARTICLE 17

Communication

1. Each Party shall promptly notify the other Party of any modification to its domestic legal framework that may affect the benefits from the application of this Agreement.

2. Each Party shall, through its administrative authority, collect and share with the other Party statistical information on the performance, distribution or broadcasting of a work receiving benefits from the application of this Agreement.

ARTICLE 18

Administrative Authorities

Each Party shall designate an administrative authority responsible for the implementation of this Agreement and notify the other Party, in writing, upon signature of this Agreement.

ARTICLE 19

Compliance with European Union Law regarding State Aid

France shall ensure that the provisions of this Agreement are applied in compliance with the regulations of the European Union regarding the rights to state aid applicable in the fields of film, television, and on-demand audiovisual media services, in particular as set out in the Communication from the Commission on State aid for films and other audiovisual works (2013/C 332/01), published in the Official Journal on 15 November 2013. Specifically, Articles 10 and 11 are applied, with regard to France, within the limits set by European Union law on the territorialization of production expenditures.

ARTICLE 20

Meetings

1. To facilitate the implementation of this Agreement, meetings between representatives of each Party may be held every three (3) years to discuss and review the provisions of this Agreement. To the extent possible, these meetings shall be held by videoconference or by teleconference.
2. A meeting may also be convened at the request of one of the Parties, particularly in the case of an amendment to the domestic legal framework concerning the audiovisual or cinematographic industry, or where the implementation of this Agreement would result in serious difficulties, particularly if proportionality, as described in Article 9 of this Agreement, is not achieved.

ARTICLE 21

Abrogation

1. This Agreement repeals and replaces:

(a) the *Agreement between the Government of Canada and the Government of the French Republic Concerning Cinematographic Relations*, done at Ottawa on 30 May 1983, as amended;

(b) the *Agreement between the Government of Canada and the Government of the French Republic on Television Relations*, done at Paris on 11 July 1983, as amended;

(c) the *Agreement between the Government of Canada and the Government of the French Republic Concerning the Promotion of Co-produced Cinematographic Projects*, done at Paris on 11 July 1983, as amended;

(d) the *Agreement between the Government of Canada and the Government of the French Republic Concerning the Promotion of Film and Video Co-production Projects in the Field of Animation*, done at Paris on 10 January 1985, as amended; and

(e) the *Agreement between the Government of Canada and the Government of the Republic of France Regarding the Development of French Language Audiovisual Co-Production Projects for Television*, done at Ottawa on 14 March 1990.

2. This abrogation does not affect the rights and obligations of the Parties related to projects undertaken in the course of the agreements mentioned in subparagraphs (a) to (e) of paragraph 1 of this Article. The following are considered to be projects undertaken under this paragraph:

(a) Coproduction projects deemed eligible, on the date this Agreement enters into force, for the benefits of the agreements mentioned in subparagraphs (a) and (b) of paragraph 1 of this Article under the conditions set out in those agreements.

(b) Coproduction projects that have received selective financial assistance under the agreements mentioned in subparagraphs (c) to (e) of

paragraph 1 of this Article, including those where the first tranche of funding has not yet been paid.

The administrative authorities shall jointly make a list of the relevant projects on the date of entry into force of this Agreement.

ARTICLE 22

Settlement of Disputes

The Parties shall endeavor to resolve, through consultations or by negotiations, any dispute regarding the interpretation or implementation of this Agreement.

ARTICLE 23

Entry into Force

This Agreement enters into force thirty (30) days after receipt of the last notification through diplomatic channels by which the Parties notify each other of the completion of the domestic procedures required for its entry into force.

ARTICLE 24

Amendments

This Agreement may be amended through the mutual written consent of the Parties. Each Party shall notify the other Party in writing of the completion of the domestic procedures required for the entry into force of the amendments. The amendments enter into force on the first day of the first month following the date of the second of those notifications.

ARTICLE 25

Termination

1. This Agreement is for an indeterminate period.
2. A material breach of this Agreement by one of the Parties allows the other Party to invoke the breach as grounds for terminating this Agreement or to suspend its application in whole or in part. For the purposes of this Article, the violation of a provision essential to the fulfillment of the object or purpose of this Agreement constitutes a material breach of this Agreement.
3. Either Party may terminate the Agreement at any time, by written notice sent through diplomatic channels. In such case, this Agreement ceases to be in force six (6) months after the date of receipt of the notification. Termination of this Agreement does not affect the rights and obligations of the Parties related to works undertaken under this Agreement, unless the Parties decide otherwise.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective governments, have signed this Agreement.

DONE at, this day of, 2020, in duplicate, in the English and French languages, each version being equally authentic.

**FOR THE GOVERNMENT
OF CANADA**

**FOR THE GOVERNMENT
OF THE FRENCH REPUBLIC**