

**AGREEMENT BETWEEN
THE GOVERNMENT OF CANADA
AND
THE GOVERNMENT OF THE FRENCH REPUBLIC
CONCERNING CINEMATOGRAPHIC RELATIONS**

Ottawa, May 30, 1983

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**THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE
FRENCH REPUBLIC,**

CONSCIOUS that co-production can contribute to the further expansion of the cinematographic industries of both countries as well as to the development of economic and cultural exchanges between the two countries;

NOTING with satisfaction the fruitful relations and exchanges that already exist between the cinematographic industries of both countries;

DETERMINED to foster the further development of cinematographic co-operation between Canada and France for the benefit of their people as well as their respective industries;

CONVINCED that this co-operation will contribute to the enhancement of the economic and cultural relations between their two countries;

HAVE AGREED AS FOLLOWS:

ARTICLE I

- (1) For the purposes of this Agreement, the term "cinematographic production" includes cinematographic productions of any length or technical medium, including fiction, animated productions and documentaries, produced in accordance with the provisions pertaining to the cinematographic industry in each country, for primary distribution to theatres in both countries.
- (2) Cinematographic co-productions qualified under the present Agreement are by full right entitled to the benefits resulting from the provisions concerning the cinematographic industry which are in force or from those which may be decreed in each country.
- (3) These benefits accrue solely to the producer of the country that grants them.
- (4) Cinematographic productions to be co-produced by the two countries must be approved after consultation between the competent authorities of both countries:

- In Canada: by the Minister of Communications or, if he so authorizes, the Canadian Film Development Corporation (« Telefilm Canada »)
- In France: by the Director General of « Le Centre National de la Cinématographie ».

ARTICLE II

- (1) In order to qualify for the benefits of co-production, cinematographic productions must be undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.
- (2) Studio shooting must be carried out in one or other of the countries participating in the co-production. If the script or action of the work so requires and if technicians from the two co-producing countries take part in the shooting, location shooting, exterior or interior, in a country not participating in the co-production, may be authorized.

ARTICLE III

- (1) The directors of cinematographic productions, as well as technicians and performers participating in the production, must be nationals of France, or Canada, or the European Economic Community, or residents in France, or permanent residents of Canada.
- (2) The expression "permanent residents of Canada" mentioned in paragraph 1 has the same meaning as in the provisions of the Canada Income Tax Regulations relating to certified productions, as may be amended from time to time.
- (3) Should the cinematographic production so require, the participation of performers other than those provided for in paragraph 1 may be permitted, subject to agreement between the competent authorities of both countries.

ARTICLE IV

- (1) The proportion of the respective contributions of the co-producers of the two countries may vary from twenty to eighty (20-80) per cent for each cinematographic production.
- (2) The minority co-producer shall be required to make an effective technical and creative contribution. In principle, the contribution of the minority co-producer in creative staff, technicians and actors shall be in proportion to his investment. In

exceptional circumstances, departures herefrom may be made jointly by the competent authorities of both countries.

ARTICLE V

- (1) The contracting parties look favourably upon the cinematographic co-production meeting international standards by Canada, France and countries to which either of the said parties is bound by co-production agreements.
- (2) The conditions of acceptance for such cinematographic productions shall be determined in each case.
- (3) No minority contribution to such cinematographic productions shall be less than twenty (20) per cent of the budget.

ARTICLE VI

- (1) An overall balance must be achieved with respect both to participation by creative staff, technicians and performers, and to the financial and technical resources of both countries (studios and laboratories).
- (2) The Joint Commission referred to in Article XVII of the Agreement shall determine whether such a balance has been achieved, and shall decide what measures are necessary in order to correct any imbalance.

ARTICLE VII

Two copies of the technical material used in the production shall be made for all co-produced cinematographic productions. Each co-producer shall be the owner of a copy of this material and shall be entitled to use it to make the necessary reproductions. Moreover, each co-producer shall have access to the original production material in accordance with the conditions agreed upon between the co-producers.

ARTICLE VIII

- (1) Two versions shall be made of each cinematographic production, one in English and the other in French.
- (2) The cinematographic production shall be dubbed in either English or French as the case may be. Dubbing shall be carried out either in Canada or France.
- (3) The choice shall be made by agreement between the co-producers or, failing such agreement, by the majority co-producer. In this case, the minority co-

producer is at liberty to prepare, at his own expense, the version for use in his home market.

ARTICLE IX

Subject to legislation and regulations in force, each contracting party shall facilitate the entry into and temporary residence in its territory of the creative and technical personnel of the other party. They shall similarly permit the temporary entry and re-export of any equipment necessary for the production of cinematographic productions under this Agreement.

ARTICLE X

Contract clauses providing for the sharing of markets and receipts between co-producers shall be subject to approval by the competent authorities of both countries. Such sharing shall in principle be proportional to the respective contributions of the co-producers.

ARTICLE XI

Approval of a proposal for the cinematographic co-production by the competent authorities of both countries is in no way binding upon them in respect of the granting of permission to show the work thus produced.

ARTICLE XII

Where a cinematographic co-production is exported to a country that has quota regulations:

- (a) it shall in principle be included in the quota of the country of the majority co-producer;
- (b) if the respective contributions of the co-producers are equal, it shall be included in the quota of the country that has the best opportunity of arranging for its export;
- (c) if any difficulties arise, it shall be included in the quota of the country of which the director of the work is a national;
- (d) if one of the co-producing countries enjoys unrestricted entry of its cinematographic productions into the importing country, co-produced works shall, like national cinematographic productions, be entitled by full right to such unrestricted entry.

ARTICLE XIII

- (1) A cinematographic co-production shall when shown be identified as a "Canada-France co-production" or "France-Canada co-production".
- (2) Such identification shall appear in a separate credit title, in all commercial advertising and promotional material and whenever these cinematographic productions are shown.

ARTICLE XIV

Unless otherwise agreed upon by the co-producing countries, cinematographic co-productions shall be entered in international festivals by the country of the majority co-producer or, in the event of equal financial participation, by the co-producing country of which the director is a national.

ARTICLE XV

The competent authorities of both countries shall jointly establish the rules of procedure for co-productions, taking into account the legislation and regulations in force in France and Canada.

ARTICLE XVI

- (1) No restrictions shall be placed on the import, distribution and exhibition of French cinematographic productions in Canada or Canadian cinematographic productions in France other than those contained in the legislation and regulations in force in the two countries.
- (2) Moreover, the contracting parties affirm their desire to foster by all available means the distribution in each of their respective countries of cinematographic productions from the other country.

ARTICLE XVII

- (1) The competent authorities will examine the implementation of this Agreement as necessary in order to resolve any difficulties arising out of its application. They will consider possible amendments with a view to developing cinematographic co-operation in the best interests of both countries.
- (2) A meeting of a joint cinematographic commission will take place in principle once every two years and it will meet alternately in the two countries. However, it may be convened for extraordinary sessions at the request of one or both competent authorities, particularly in the case of major amendments to the legislation or the regulations governing the film industry, or where the application of this Agreement presents serious difficulties.

ARTICLE XVIII

- (1) The present Agreement shall come into force on the day of its signature, replacing the Agreement between Canada and France concerning Films and Film Production of May 8, 1974.

- (2) It shall be valid for a period of three years from the date of its entry into force; a tacit renewal of the Agreement for like periods shall take place unless one or the other of the contracting parties gives notice of termination six (6) months before the expiry date. However, co-productions in progress at the time of notice of termination of the Agreement by either party, shall continue to benefit fully from the conditions of this Agreement until their completion. Even after its expiry, the Co-production Agreement shall continue to apply to the liquidation of receipts from films co-produced under this Agreement.

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

DONE in duplicate at Ottawa this 30th day of May 1983 in the English and French languages, each version being equally authentic.

Francis Fox

Jean Béliard

**FOR THE GOVERNMENT
OF CANADA**

**FOR THE GOVERNMENT
OF THE FRENCH REPUBLIC**

RULES OF PROCEDURE

Application for co-production benefits for any cinematographic production must be made simultaneously to both administrations at least thirty (30) days before shooting begins. The administration of the country of which the majority co-producer is a national shall communicate its proposal to the other administration within twenty (20) days of the submission of the complete documentation as described below. The administration of the country of which the minority co-producer is a national shall thereupon communicate its decision within seven (7) days.

Documentation submitted in support of an application shall consist of the following items, drafted in French in the case of France and in English or French in the case of Canada.

- I. A continuity script.
- II. A document providing proof that the copyright for the cinematographic production adaptation has been legally acquired or, failing this, proof that a valid option has been obtained.
- III. The co-production contract (one signed copy and three certified copies).

The contract shall include:

1. The title of the cinematographic production;
2. The name of the author of the script, or that of the adaptor if it is drawn from a literary source;
3. The name of the director (a substitution clause permitted to provide for his replacement if necessary);
4. The budget;
5. The financing plan;
6. The distribution of receipts and markets;

7. The respective shares of the co-producers in any over or underexpenditure, which shares shall in principle be proportional to their respective contributions, although the minority co-producers' share in any overexpenditure may be limited to a lower percentage or to a fixed amount;

8. A clause providing that admission to benefits under this Agreement does not bind the competent authorities in either country to permit public exhibition of the cinematographic production;

9. A further clause prescribing the measures to be taken where:

(a) after full consideration of the case, the competent authorities in either country refuse to grant the benefits applied for;

(b) the competent authorities prohibit the exhibition of the cinematographic production in either country or its export to a third country;

(c) either party fails to fulfil its commitments.

10. The period when shooting is to begin.

11. A clause stipulating that the majority co-producer shall take out an insurance policy covering at least "all production risks" and "all negative risks".

IV. The distribution contract, where this has already been signed.

V. A list of the creative and technical personnel indicating their nationalities and, in the case of performers, the roles they are to play.

VI. The production schedule.

The competent administrations of the two countries can demand any further documents and all other additional information deemed necessary.

In principle, the final shooting script (including the dialogue) should be submitted to the competent administrations prior to the commencement of shooting.

Amendments, including the replacement of a co-producer, may be made in the original contract but they must be submitted for approval by the competent administrations of both countries before the cinematographic production is finished.

The replacement of a co-producer may be allowed only in exceptional cases and for reasons declared valid by the competent administrations.

The competent administrations will keep each other informed of their decisions, enclosing one copy of the file.

N°. JLA-5023

Excellency,

I have the honour to refer to the Agreement between the Government of Canada and the Government of the Republic of France Concerning Cinematographic Relations, signed at Ottawa on May 30, 1983. At the meeting of the joint cinematographic commission held in Paris on March 10 and 11, 1988, representatives of our two countries agreed to amend the Agreement. I have the honour, on instructions of my Government, to propose the following amendments:

ARTICLE II

There shall be added to Article II a new paragraph 3, written as follows:

"3. Animation works such as storyboard, layout, key animation and voice recording must be carried out in Canada or France."

ARTICLE III

A) Paragraph 1. of Article III shall be deleted and replaced by the following:

"1. The scriptwriters and directors of cinematographic productions, as well as technicians and performers participating in the production, must be nationals of France or Canada, or nationals of a member State of the European Economic Community, or residents of France, or permanent residents of Canada."

B) Paragraph 2. of Article III is deleted.

C) Taking into account the deletion of paragraph 2. of Article III, paragraph 3. of Article III becomes paragraph 2. of the same Article.

His Excellency Philippe Husson
Ambassador of the Republic of France
Ottawa.

ARTICLE XII

Subparagraph (c) of Article XII is completed by adding the following:

"... or a resident;"

ARTICLE XIV

Article XIV is completed by adding the following:

"... or a resident."

If the foregoing is acceptable to the Government of the Republic of France, I have the honour to propose that this Note which is authentic in English and French and your reply to that effect, constitute an Agreement between our two Governments amending the Agreement Concerning Cinematographic Relations of May 30, 1983, which will enter into force on the date of your reply.

Accept, Excellency, the assurances of my highest consideration.

Secretary of State
for External Affairs

The following modifications were adopted by the Canadian and the French delegations during the France-Canada mixed commission on film and television relations held in Paris on 17-18 September 1992.

The modifications will be ratified by the respective governments at a later date.

SUGGESTED CHANGES

Agreement between the Government of Canada and the Government of the Republic of France concerning Cinematographic Relations.

Modification to the amendment of February 8, 1989:

III A) Paragraph (1) of Article III shall be modified as follows:

"(1) The scriptwriters and directors of cinematographic productions, as well as technicians and performers participating in the production, must be nationals of France or Canada, or nationals of member States of the European States that are parties to the European Economic Area, or residents of France or permanent residents of Canada;"

SUGGESTED CHANGES

Agreement between the Government of Canada and the Government of the Republic of France concerning Cinematographic Relations.

Proposed appendix on financial co-production:

APPENDIX on financial co-production:

Notwithstanding the provisions of Article IV of the Agreement between the Government of Canada and the Government of the Republic of France concerning Cinematographic Relations, productions produced under the framework of a financial co-production may be considered, with the consent of the competent authorities, to be co-productions and qualify for the benefits of such.

In order to be approved by the competent French and Canadian authorities, these productions must meet the following conditions:

1. entail a minority contribution that may be limited to a financial contribution, without necessarily excluding any artistic and technical contribution, pursuant to the co-production contract, but that is not less than 20% of the cost of production;
2. consist in an equal number of films with majority French financial contribution and films with majority Canadian financial contribution, the financial contributions made by each party balancing out over a period of two years;
3. be of such technical quality and have such artistic value as entertainment as to be of acknowledged interest to French and Canadian filmmaking; competent authorities in France and Canada will determine whether or not the films have those characteristics;
4. be the subject of co-production contracts containing equitable provisions concerning the distribution of receipts;
5. be accessible to experienced producers who have demonstrated continuing relations with foreign partners.

If it appears, in the course of a particular year, that the condition set out in subparagraph 2) above cannot be met, the competent authorities in the country to whose detriment the imbalances will be, shall request a meeting within three (3) months between the competent government authorities to consider ways of restoring the necessary balance. Until an agreement on this point is reached, the country in whose favour the imbalance exists may no longer show majority films.

This Annex shall be in force for a period of two (2) years. A tacit renewal of the agreement for like periods shall take place unless one or the other of the contracting parties gives notice of termination within six (6) months before the expiry date. However, co-productions in progress at the time of notice of termination of the Agreement by either party, shall continue to benefit fully from the conditions of this Agreement until their completion.