

FILM COPRODUCTION TREATY

BETWEEN

THE GOVERNMENT OF CANADA

AND

THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF CHINA (the “Parties”) recognize that quality film coproductions contribute to the vitality of their film industries and to the development of their economic and cultural exchanges.

The Parties recall that the UNESCO *Convention on the Protection and Promotion of the Diversity of Cultural Expressions*, done at Paris on 20 October 2005, encourages the conclusion of coproduction treaties as one of the means to promote international cooperation.

The Parties recognize that the objectives of this Treaty may be achieved by granting domestic benefits to qualified film coproductions.

In order to promote film exchanges and cooperation between the Parties, through friendly negotiations, the Parties have agreed as follows:

ARTICLE 1

Definitions

For the purpose of this Treaty:

- (a) “competent/administrative authorities”:
 - (i) for Canada, the “competent authority” means the delegated authority responsible for the negotiation and the implementation of this Treaty, and the “administrative authority” means the authority that administers the application of this Treaty,
 - (ii) for China, the “competent authority/administrative authority” means the authority responsible for the negotiation, administration and implementation of this Treaty;

- (b) “Canadian elements” are expenditures made in Canada by the Canadian producer and expenditures made in other States by the Canadian producer for Canadian creative and technical personnel in the course of the production of a film coproduction;
- (c) “Chinese elements” are expenditures made in China by the Chinese producer and expenditures made in other States by the Chinese producer for Chinese creative and technical personnel in the course of the production of a film coproduction;
- (d) “coproducing parties” means Canada and China, with third parties when applicable;
- (e) “film coproduction” means a film, including every version thereof, made on any production support, existing or future, for any distribution platform intended for viewing, that is subsequently recognized as a treaty coproduction by each Party;
- (f) “national” means a citizen or permanent resident or a legal person as defined by the applicable laws of the respective States;
- (g) “non-party” means a State or region other than the coproducing parties;
- (h) “producer” means a legal entity that manages the production of a film coproduction;
- (i) “third party” means a State or region that has a coproduction treaty or a memorandum of understanding with at least one of the Parties, and that has a producer involved in the film coproduction.

ARTICLE 2

General Conditions

1. Film coproductions shall follow the applicable rules and regulations of the coproducing parties, and shall be approved by their respective competent/administrative authorities.

2. Each film coproduction shall be considered as each Party's domestic film production and as such, shall be entitled to all rights and benefits from national legislation and regulations of the respective Parties.
3. Each Party shall strive to achieve overall balance on the financing of films coproduced under this Treaty over a period of five years.
4. The provisions relevant to the administration of this Treaty will be set out in the Annex.

ARTICLE 3

Participating Producers

In addition to producers of Canada and China, third-party producers may also participate in the film coproduction.

ARTICLE 4

Nationality of Participants

1. Unless otherwise specified in the Annex of this Treaty, each participant involved in a film coproduction shall be a national of the coproducing parties.
2. The Parties, through their respective competent/administrative authorities, may by mutual consent in writing allow the participation of non-party nationals in the film coproduction, notably for storyline, creative, or production purposes.

ARTICLE 5

Proportionality

1. The share of work expenditures spent on Canadian elements shall be in reasonable proportion to the Canadian producer's financial contribution to a film coproduction.

2. The share of work expenditures spent on Chinese elements shall be in reasonable proportion to the Chinese producer's financial contribution to a film coproduction.

3. The Parties, through their respective competent/administrative authorities, may by mutual consent in writing grant exemptions from paragraphs 1 and 2, notably for storyline and creative purposes.

ARTICLE 6

Temporary Entry and Residence

Subject to its legislation and regulations, each Party shall facilitate the following:

- (a) temporary entry and residence for the creative and technical personnel engaged by the producer of the other Party for the purpose of the film coproduction;
- (b) temporary entry and re-export of the equipment necessary for the purpose of the film coproduction.

ARTICLE 7

Distribution

Each Party shall endeavour to encourage the distribution of the film coproduction in each of the coproducing parties to reach audiences worldwide thereby enhancing its competitiveness in the global market.

ARTICLE 8

Copyright and Revenues

1. The Parties, through their respective competent/administrative authorities, shall ensure that their producers demonstrate that they retain copyright over the film coproduction in accordance with the respective requirements of each Party.

2. The Parties, through their respective competent/administrative authorities, shall ensure that the sharing of revenues between the producers is, in principle, proportional to their respective financial contributions, and no lesser than the minimum financial contribution identified in the Annex.

ARTICLE 9

Communication

1. Each Party, through its competent/administrative authority, shall promptly advise the other of any amendment or judicial interpretation of domestic law that may affect the implementation of this Treaty or the benefits from the application of this Treaty.

2. Each Party, through its competent/administrative authority, shall demonstrate reciprocity in collecting and sharing its statistical information on the distribution and exhibition of the film coproduction receiving benefits from the application of this Treaty.

ARTICLE 10

International Festivals

The Parties, through their respective competent/administrative authorities, shall encourage their producers to work together to have film coproductions shown at international festivals.

ARTICLE 11

Status of Annex

1. The Annex to this Treaty is for administrative purposes and is not part of this Treaty.

2. The Annex may be modified by the Parties, through their respective competent/administrative authorities, by mutual consent in writing, provided that these modifications do not conflict with this Treaty.

ARTICLE 12

Settlement of Disputes

The representatives of the competent/administrative authorities of the Parties shall jointly examine the implementation of this Treaty, as necessary, and strive to resolve, through friendly negotiations, any problems arising from its application.

ARTICLE 13

Transitional

1. Unless otherwise mutually decided by the Parties, any benefits derived from the application of this Treaty shall continue to apply to any film coproduction already approved by the competent/administrative authorities and not yet completed at the time of this Treaty's termination, and shall be effective until such coproduction is completed.
2. This Treaty replaces the *Agreement between the Government of Canada and the Government of the People's Republic of China on Co-production of Films*, done at Beijing on 23 February 1987. The Parties may continue to confer benefits to the producers whose film coproduction qualified for benefits from the application of that earlier agreement, provided that:
 - (a) the producers whose film coproduction qualified under that earlier agreement notify their respective competent/administrative authorities, in writing, that they elect to continue receiving such benefits from the application of that earlier agreement; and
 - (b) the election is made within six months from the date of the entry into force of this Treaty.

ARTICLE 14

Entry into Force, Duration, Amendment and Termination

1. Each Party shall notify the other Party in writing through diplomatic channels of the completion of its internal procedures required for the entry into force of this Treaty. This Treaty shall come into force on the first day of the first month following the date of the later notification.

2. This Treaty shall remain in force for a period of five years from the date of entry into force and shall thereafter be automatically renewed for successive periods of five years, unless either Party notifies the other Party in writing through diplomatic channels of its intention to terminate this Treaty, within six months of the expiry date.

3. The Parties may amend this Treaty by mutual consent in writing. The amendments shall come into force on the first day of the first month following the date of the later written notification that internal procedures necessary for the entry into force have been completed by the Parties.

4. The *Agreement between the Government of Canada and the Government of the People's Republic of China on Co-production of Films*, done at Beijing on 23 February 1987, shall thereafter terminate on the date of entry into force of this Treaty.

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

DONE at _____ on the _____ day of _____ 2016,
in duplicate, in the English, French and Chinese languages, all versions being equally authentic.

**FOR THE GOVERNMENT
OF CANADA**

**FOR THE GOVERNMENT
OF THE PEOPLE'S REPUBLIC
OF CHINA**

- (b) The competent/administrative authorities may, by mutual consent in writing, allow for the location shooting of the film coproduction to take place in a non-party for storyline and/or creative reasons.
- (c) The competent/administrative authorities may, by mutual consent in writing, allow technical services to be provided in one or more non-parties provided that producers demonstrate the non-availability of those services in any of the coproducing parties, and provided that the value of such services does not exceed twenty-five (25) percent of the total production budget of the film coproduction.

4. DUBBING

- (a) For the purpose of this Annex, “dubbing” means the production of any version of the film coproduction in a language other than its original language or languages.
- (b) Subject to sub-paragraph (c), all dubbing services of the film coproduction in English or French or Chinese Mandarin will be performed in the coproducing parties.
- (c) Where a producer can reasonably demonstrate that the necessary capacity for dubbing does not exist in any of the coproducing parties, the competent/administrative authorities may, by mutual consent in writing, allow such services to be performed elsewhere.