AGREEMENT ON FILM AND VIDEO RELATIONS BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE KINGDOM OF MOROCCO

Rabat, May 4th, 1987

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THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE KINGDOM OF MOROCCO,

CONSIDERING that it is desirable to establish a framework for audiovisual relations and particularly for film and video co-productions;

CONSCIOUS that co-productions can contribute to the further expansion of the film and video production industries of both countries as well as to the development of the cultural and economic exchanges;

CONVINCED that these exchanges will contribute to the enhancement of the relations between the two countries:

HAVE AGREED AS FOLLOWS:

ARTICLE I

For the purposes of this Agreement, the word "co-production" refers to projects irrespective of length or format including animation and documentaries, produced either on film, videotape or videodisc, for distribution in theatres, on television, videocassette, videodisc or any other form of distribution.

Co-productions undertaken under the present Agreement must be approve by the following competent authorities:

In Canada: The Minister of Communications

In Morocco: The Moroccan Cinematographic Centre.

These co-productions are considered to be national productions by and in the two countries. They are by right fully entitled to the benefits resulting from the legislation and regulations concerning the film and video industries which are in force or from those which may be decreed in each country. These benefits accrue solely to the producer of the country that grants them.

ARTICLE II

In order to qualify for the benefits of this Agreement, co-productions must be undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.

ARTICLE III

The producers, the writers and the directors of co-productions, as well as technicians, performers and other production personnel participating in the production, must be Canadian or Moroccan or permanent residents of Canada or residents in Morocco.

The term "permanent residents of Canada" mentioned in the preceding paragraph has the same meaning as in the provisions of the Canada Income Tax Regulations relating to certified productions, as they may be amended from time to time.

Should the co-production so require, the participation of one (1) performer other than those provided for in the first paragraph may be permitted, subject to approval by the competent authorities of both countries.

ARTICLE IV

The proportion of the respective contributions of the co-producers of the two countries may vary from twenty (20) to eighty (80) per cent for each co-production.

Live action shooting and animation works, such as storyboards, layout, key animation, in between and voice recording, must be carried out alternately in Canada and Morocco. Location shooting, exterior or interior, in a country not participating in the co-production may be authorized, if the script or the action so requires and if technicians from Canada and Morocco take part in the shooting.

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 technicians and performers shall be in proportion to his investment. In all cases such contribution shall include the participation of not less than three technicians, one performer in a leading role and two performers in a supporting role. In exceptional circumstances, departures herefrom may be approved by the competent authorities of both countries.

ARTICLE V

The competent authorities of both countries look favourably upon co-productions undertaken by producers of Canada, Morocco and countries to which either Canada or Morocco is bound by co-production agreements.

The proportion of minoriry contributions to such co-productions shall not be less than twenty (20) per cent for each co-production.

The minority co-producer shall be obliged to make an effective technical and creative contribution.

ARTICLE VI

An overall balance must be achieved during the term of the present Agreement with respect to financial participation, as well as to the creative staff, technicians performers and technical resources (studios and laboratories).

The Joint Commission referred to in Article XVII of the Agreement shall examine 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 final protection and reproduction material used in the production shall be made for all co-productions. Each co-producer shall be the owner of a copy of the protection and reproduction 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

The original sound track of each co-production shall be made in either English or French or Arabic. Double shooting in two of these languages may be made. Dialogue in other languages may be included in the co-production as the script requires.

Dubbing or subtitling of each co-production into French shall be carried out in Canada or Morocco. Dubbing or subtitling of each co-production into English shall be carried out in Canada. Dubbing or subtitling of each co-production into Arabic shall be carried out in Morocco.

Moreover, the competent authorities of the two countries wish that dubbing or subtitling into English and French of each Moroccan production distributed and exhibited in Canada be carried out in that country and dubbing or subtitling into Arabic of each Canadian production distributed and exhibited in Morocco be carried out in that country.

ARTICLE IX

Subject to their legislation and regulations in force, Canada and Morocco shall facilitate the entry into and temporary residence in their respective territories of the

creative and technical personnel dependent on the co-producer of the other country. They shall similarly permit the temporary entry and re-export of any equipment necessary for the co-production under this Agreement.

ARTICLE X

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

ARTICLE XI

Approval of a co-production proposal by the competent authorities of both countries is in no way binding upon them in respect of the granting of license to show the co-production.

ARTICLE XII

Where a 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 coproducer;
- it shall be included in the quota of the country that has the best opportunity of arranging for its export, if the respective contributions of the co-producers are equal;
- c) it shall be included in the quota of the country of which the director is a national, if any difficulties arise.

ARTICLE XIII

A co-production shall when shown be identified as a "Canada-Morocco co-production" or "Morocco-Canada co-production".

Such identification shall appear in a separate credit title, in all commercial advertising and promotional material and whenever this co-production is shown.

ARTICLE XIV

Unless the co-producers agree otherwise, a co-production shall be entered at international festivals by the country of the majority co-producer or, in the event of equal financial participation of the co-producers, by the 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 Canada and Morocco. These rules of procedure are attached to the present Agreement.

ARTICLE XVI

No restrictions shall be placed on the import, distribution and exhibition of Moroccan film and video productions in Canada or Canadian film and video productions in Morocco other than those contained in the legislation and regulations in force in each of the two countries.

ARTICLE XVII

The competent authorities shall examine the implementation of this Agreement as necessary in order to resolve any difficulties arising from its application. They shall recommend at need possible amendments with a view to developing film and video cooperation in the best interests of both countries.

A Joint Commission is established to look after the implementation of this Agreement. A meeting of the Joint Commission shall take place in principle once every two years and it shall 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 and video industries, or when the application of this Agreement presents serious difficulties.

ARTICLE XVIII

The present Agreement shall come into force on the day of its signature.

It shall be valid for a period of three years from the date of it entry into force; a tacit renewal of the Agreement for like periods shall take place unless one or the other country gives written notice of termination six (6) months before the expiry date. Coproductions in progress at the time of notice of termination of the Agreement by either Party, shall continue to benefit fully until completion from the conditions of this Agreement. After expiry of the Agreement its terms shall continue to apply to the liquidation of receipts from completed co-productions.

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

DONE in duplicate at Rabat, this 4th day of May 1987 in the English, French and Arabic languages, each version being equally authentic.

Monique Landry

Driss Basri

FOR THE GOVERNMENT OF CANADA

FOR THE GOVERNMENT OF THE KINGDOM OF MOROCCO

ANNEX

RULES OF PROCEDURE

Application for benefits under this Agreement for any co-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 twenty (20) days.

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

- I. The final script.
- II. A document providing proof that the copyright for the co-production has been legally acquired.
- III. A copy of the co-production contract signed by the two co-producers.

The contract shall include:

- 1. the title of the co-production;
- 2. the mane 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;
- 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-producer's share in any overexpenditure may be limited to a lower percentage or to a fixed amount

- providing that the minimum proportion permitted under Article IV of the Agreement is respected;
- 8. a clause recognizing that admission to benefits under this Agreement does not bind the competent authorities in either country to permit public exhibition of the co-production;
- 9. a 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;
 - the competent authorities prohibit the exhibition of the co-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 original material production 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.
- VII. The detailed budget identifying the expenses to be incurred by each country.
- VIII. The synopsis.

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 or approved by the competent administrations of both countries before the co-production is finished. The replacement of a co-producer may be allowed only in exceptional cases and for reasons satisfactory by the competent administrations.

The competent administrations will keep each other informed of their decisions.