

No. 26998

**BRAZIL
and
VENEZUELA**

**Agreement on film co-production (with annexes). Signed at
Brasília on 17 May 1988**

Authentic texts: Portuguese and Spanish.

Registered by Brazil on 2 January 1990.

**BRÉSIL
et
VENEZUELA**

**Accord relatif à la coproduction cinématographique (avec
annexes). Signé à Brasília le 17 mai 1988**

Textes authentiques : portugais et espagnol.

Enregistré par le Brésil le 2 janvier 1990.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON FILM CO-PRODUCTION BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL AND THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA

The Government of the Federative Republic of Brazil and the Government of the Republic of Venezuela (hereinafter referred to as the “Parties”),

Desiring to facilitate the joint production of films which, by their artistic and technical merits, will contribute to the development of cultural and trade relations between the two countries and which will be competitive both in the respective national territories and in the territories of other countries,

Have agreed as follows:

I. CO-PRODUCTION

Article I

For the purposes of this Agreement, the Parties shall regard as a “Brazilian-Venezuelan co-production film” a feature film of not less than 70 minutes’ duration or a short or medium-length film of not less than 4 minutes’ duration, in any format or medium, which is produced jointly by one or more Brazilian producers and one or more Venezuelan producers, and which is in conformity with the provisions set forth in the articles of this Agreement, based on a contract concluded by the co-producing companies and duly approved by the competent authorities of each country: in Brazil, by the National Cinematographic Council (CONCINE) of the Ministry of Culture, and in Venezuela, by the Department of the Cinematographic Industry of the Ministry of Development.

Article II

Films co-produced by the two Parties shall be treated as nationally produced films by the competent authorities of both countries, provided that they are made in accordance with the legal provisions in force in each country. Such films shall enjoy the advantages accorded to national films by the legal provisions in force, or those to be promulgated, in each co-producing country.

Article III

To enjoy the benefits of this Agreement, co-producers must fulfil all the obligations laid down by their respective national laws and all the obligations laid down by the procedural rules set forth in Annex A to this Agreement, which shall be regarded as part thereof.

Article IV

1. In the co-production of films, the proportion of the respective contributions of the co-producers of the two countries may vary between 30 and 70 per cent. In the case of co-productions with third countries, the financial participation of the minor

¹ Came into force on 1 January 1990, the date of the last of the notifications by which the Contracting Parties informed each other of the completion of the required formalities, in accordance with article XVI.

co-producer may be up to 20 per cent of the total cost, in accordance with the legislation in force in each country.

2. For the purposes of calculating the percentages referred to in the preceding paragraph, the contribution of each co-producer shall have proportional value in the co-production as a whole, independently of its monetary value. Such value shall be determined according to the table of percentage contributions contained in Annex B to this Agreement, which forms an integral part thereof.

3. Artistic and technical participation in the co-production shall be determined by the points table contained in Annex C to this Agreement which forms an integral part thereof.

Article V

1. Films shall be made with actors, technicians and performers of Brazilian or Venezuelan nationality, or with non-nationals who hold residence permits in either of the two countries. Taking into account the requirements of the film, non-resident nationals of third countries may be allowed to participate, subject to prior agreement between the Parties, in accordance with the legislation in force in each country.

2. The directors of the co-productions shall be nationals or residents of one of the two co-producing countries.

3. The co-producers shall not impose any type of artistic supervisor or similar authority above the director or at the same level as the director.

Article VI

1. The negative shall, in principle, be developed in the laboratories of one of the Parties.

2. The copies to be shown in the territory of each Party shall be printed in the respective countries.

3. For each co-produced film, one negative and one countertype, or one negative and one internegative shall be prepared.

4. Each co-producer shall be the owner of a negative or of a countertype.

5. The majority co-producer shall keep the original negatives of the image and sound.

6. The minority co-producer may, subject to the prior agreement of the majority co-producer, hold the original negative.

Article VII

Receipts from the marketing of the co-production shall be shared in proportion to the percentages of the co-producers of the costs of producing the film, except where the producers conclude a specific agreement to the contrary, with the approval of the competent authorities of both Parties. Such apportionment may be effected through a division of markets, or through the sharing of the same markets, or through a combination of the two formulas.

Article VIII

1. The distribution of the film in shared international markets shall be negotiated by the major co-producer in that market, after prior consultation with the other co-producers.

2. In international markets which are divided on the basis of 50 per cent for each Party, the negotiations shall be conducted by both co-producers. The co-producer who receives an offer shall formally communicate it to the other co-producer, who, in turn, shall have a period of five days from the date of receipt of the communication to present a better offer.

Article IX

Particular emphasis shall be placed on promoting the production of films of outstanding artistic and financial merit among production companies of the two Parties and companies of other countries with which either Party may be linked through co-production agreements.

Article X

1. The credits preceding co-produced films shall include, in a separate section, both the names of the companies which made the film and the designation "Brazilian-Venezuelan Co-production", or "Venezuelan-Brazilian Co-production", depending on each country's input.

2. Films shall be presented at international festivals by the co-producing countries, mentioned in the order of the respective shares of their participation.

3. In the case of co-produced films the costs of which have been shared equally, the country of the nationality or residence of the director shall be listed first.

4. Prizes, subsidies, incentives and other economic benefits granted to a film may be divided among the co-producers, in accordance with the provisions of the co-production contract.

5. Any award which is not in the form of money, in other words, honorary awards or trophies awarded by third countries to films made in accordance with the rules set forth in this Agreement, shall be kept by the major co-producer, or as provided for in the co-production contract.

Article XI

The Parties shall facilitate the movement and stay of the artistic and technical personnel participating in co-produced films, in accordance with the terms of this Agreement. Facilities shall also be granted for the temporary export and import, into and from the two countries, of the material necessary for the production of co-produced films, in accordance with the relevant regulations in force in each country.

II. EXCHANGE

Article XII

1. The import, export and distribution of films declared to be nationally produced shall be subject to the legislation in force in each country. Each Party shall facilitate in its own territory the distribution of films recognized as national films by the other Party.

2. Foreign currency to pay for materials and services provided and revenues from the sale and marketing of the films shall be remitted in accordance with the terms of the co-production contract and in conformity with the legislation in force in each country.