

No. 31533

**CANADA
and
YUGOSLAVIA**

Agreement on film and video co-productions (with rules of procedure). Signed at Montreal on 11 February 1988

Authentic texts: English, French, Serbo-Croatian, Slovene and Macedonian.

Registered by Canada on 27 January 1995.

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et
YUGOSLAVIE**

**Accord de coproduction cinématographique et audiovisuelle
(avec règles de procédure). Signé à Montréal le 11 février
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Enregistré par le Canada le 27 janvier 1995.

AGREEMENT¹ ON FILM AND VIDEO CO-PRODUCTIONS BETWEEN THE GOVERNMENT OF CANADA AND THE FEDERAL EXECUTIVE COUNCIL OF THE ASSEMBLY OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA

The Government of Canada and the Federal Executive Council of the Assembly of the Socialist Federal Republic of Yugoslavia,

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 their cultural and economic exchanges;

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

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

HAVE AGREED as follows:

ARTICLE I

1. 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.

2. Co-productions undertaken under the present Agreement are considered to be national film and video productions in the two countries.

3. These co-productions 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.

4. These benefits accrue solely to the producer of the country that grants them.

5. Co-productions undertaken under the present Agreement by producers of the two countries must be approved by the following competent authorities:

In Canada:

the Minister of Communications.

¹ Came into force provisionally on 11 February 1988 by signature and definitively on 3 October 1988, the date of the exchange of notes concerning its approval, in accordance with article 17 (1).

In the Socialist Federal Republic of Yugoslavia:

- 1) “Yugoslavia Film” Association of Film Production and Distribution Organizations and
- 2) Business Community of Broadcasting Organizations of Associated Labour “Yugoslav Radio-Television”.

ARTICLE 2

1. 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.

2. Live action shooting as well as animation works, such as storyboards, layout, key animation, inbetweens and voice recording, must be carried out in either Canada or the Socialist Federal Republic of Yugoslavia. 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 Yugoslavia take part in the shooting.

ARTICLE 3

1. 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 nationals or permanent residents of Canada or of the Socialist Federal Republic of Yugoslavia.

2. 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. A permanent resident in the Socialist Federal Republic of Yugoslavia is a person permanently residing in the Socialist Federal Republic of Yugoslavia and properly registered in keeping with the regulations of the socialist republics and socialist autonomous provinces.

3. 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 agreement between the competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement.

ARTICLE 4

1. The proportion of the respective contributions of the co-producers of the two countries may vary from twenty (20) to eighty (80) per cent of production costs for each co-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 technicians and performers shall be in proportion to his investment. In all cases, such contribution shall include the participation of at least one technician, one performer in a leading role and one performer in a supporting role. In exceptional circumstances, departures herefrom may be approved jointly by the competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement.

ARTICLE 5

1. The competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement look favourably upon co-productions undertaken by producers of Canada, the Socialist Federal Republic of Yugoslavia and countries to which both Canada and the Socialist Federal Republic of Yugoslavia are bound by co-production agreements.

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

3. The minority co-producers shall be required to make effective technical and creative contribution.

ARTICLE 6

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 7

1. Two versions may be made of each co-production, one in English or in French, the other in one of the languages of the Yugoslav nation. Dubbed versions may also be made in other languages.

2. Dubbing or subtitling shall be carried out either in Canada or in the Socialist Federal Republic of Yugoslavia as chosen 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 8

Subject to their legislation and regulations in force, Canada and the Socialist Federal Republic of Yugoslavia shall facilitate the entry into and temporary residence in their territories of the creative and technical personnel of each other's

country. They shall similarly permit the temporary entry and re-export of any equipment necessary for the co-production under this Agreement.

ARTICLE 9

Contract clauses providing for the sharing of markets and receipts between co-producers shall be subject to approval by the competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement. Such sharing shall in principle be based on the percentage of the respective contributions of the co-producers.

ARTICLE 10

Approval of a co-production proposal by the competent authorities or organizations mentioned in Article 1 para. 5 of the present Agreement is in no way binding upon them in respect of the granting of license to show the co-production.

ARTICLE 11

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 co-producer;
- (b) 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 with clauses a) and b).

ARTICLE 12

1. A co-production, when shown in Canada, shall be identified as a “Canada-Yugoslavia co-production” or as a “Yugoslavia-Canada co-production” when shown in the Socialist Federal Republic of Yugoslavia. In all other countries, the country of the majority co-producer shall be placed first.

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

ARTICLE 13

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.