No. 31549

CANADA and MEXICO

Film and Television Co-production Agreement (with annex). Signed at Ottawa on 8 April 1991

Authentic texts: English, French and Spanish. Registered by Canada on 27 January 1995.

CANADA et MEXIQUE

Accord de coproduction d'œuvres cinématographiques et audiovisuelles (avec annexe). Signé à Ottawa le 8 avril 1991

Textes authentiques : anglais, français et espagnol. Enregistré par le Canada le 27 janvier 1995.

FILM AND TELEVISION CO-PRODUCTION AGREEMENT¹ BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE LINITED MEXICAN STATES

The Government of Canada and the Government of the United Mexican States (hereinafter referred to as the "Parties"),

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

Conscious that quality co-productions can contribute to the further expansion of the film, television and video production and distribution industries of both countries as well as to the development of their cultural and economic exchanges;

Convinced that these exchanges will contribute to the enhancement of relations between the two countries;

Have agreed as follows:

ARTICLE I

- 1. For the purpose of this Agreement, a "co-production" is a project, irrespective of length, including animation and documentary productions, produced either on film, videotape or videodisc, or in any other format hitherto unknown, for exploitation in theatres, on television, videocassette, videodisc or by any other form of distribution, whether now known or to become known.
- 2. Co-productions undertaken under the present Agreement must be approved by the following competent authorities:

In Canada : the Minister of Communications; and

In Mexico : Secretaría de Gobernación and the Consejo Nacional para la Cultura y las Artes

- 3. Every co-production undertaken under this Agreement shall be produced and distributed in accordance with the national legislation and regulations in force in Canada and Mexico;
- 4. Every co-production produced under this Agreement shall be considered to be a national production for all purposes by and in each of the two countries. Accordingly, each such co-production shall be fully entitled to take advantage of all benefits currently available to the film and video industries or those that may hereafter be decreed in each country. These benefits do, however, accrue solely to the producer of the country which grants them.

¹ Came into force on 26 November 1991, the date on which the Parties notified each other of the completion of their internal ratification procedures, in accordance with article XVIII (1).

ARTICLE II

The benefits of the provisions of this Agreement apply only to coproductions undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.

ARTICLE III

- 1. The proportion of the respective contributions of the coproducers of the two countries may vary from twenty (20%) to eighty per cent (80%) of the budget for each co-production.
- 2. The minority co-producer shall be required to make an effective technical and creative contribution. In principle, this contribution shall be in proportion to his investment and should comprise the participation of a combination of creative personnel, technicians, performers (in either leading or supporting roles or both) and facilities. Departures from this principle must be approved by the competent authorities of both countries.

ARTICLE IV

- 1. The producers, writers and directors of co-productions, as well as the technicians, performers and other production personnel participating in such co-productions, must be Canadian or Mexican citizens, or permanent residents of Canada or Mexico.
- 2. The term "Canadian citizen" has the same meaning as in the Citizenship Act, as it may be amended from time to time.
- 3. The term "permanent resident of Canada" has the same meaning as in the Immigration Act, 1976, as it may be amended from time to time.
- 4. The term "Mexican citizen" has the same meaning as in the Political Constitution of the United Mexican States.
- 5. The term "permanent resident of Mexico" has the same meaning as in the General Law of Mexican Population.
- 6. Should the co-production so require, the participation of performers other than those provided for in the first paragraph may be permitted, subject to approval by the competent authorities of both countries.

ARTICLE V

- 1. Location shooting, exterior or interior, in a country not participating in the co-production may, however, be authorized, if the script or the action so requires and if technicians from Canada and Mexico take part in the shooting.
- Live action shooting and animation works such as storyboards, layout, key animation, in between and voice recording must, in principle, be carried out in one or the other of the two coproducing countries.

3. The laboratory work shall be done in either Canada or Mexico, unless it is technically impossible to do so, in which case the laboratory work in a country not participating in the co-production may be authorized by the competent authorities of both Parties.

ARTICLE VI

- 1. The competent authorities of both countries look favourably upon co-productions undertaken by producers of Canada, Mexico and any country to which Canada or Mexico is linked by an official co-production agreement.
- 2. The proportion of any minority contribution in such a coproduction shall be not less than twenty per cent (20%).
- 3. Each minority co-producer in such a co-production shall be obliged to make an effective technical and creative contribution.
- 4. Except as otherwise expressly provided, the provisions of this Agreement shall apply mutatis mutandis to any co-production submitted to the competent authorities of both countries hereunder.

ARTICLE VII

- 1. The original sound track of each co-production shall be made in either English, French or Spanish. Shooting in any two, or in all, of these languages is permitted. Dialogue in other languages may be included in the co-production as the script requires.
- 2. The dubbing or subtitling of each co-production into French and English, or into Spanish shall be carried out respectively in Canada or Mexico. Any departures from this principle must be approved by the competent authorities of both countries.

ARTICLE VIII

- 1. Except as provided in the following paragraph, no fewer than two copies of the final protection and reproduction materials used in the production shall be made for all co-productions. Each co-producer shall be the owner of one copy of the protection and reproduction materials and shall be entitled to use it, in accordance with the terms and conditions agreed upon by the co-producers, to make the necessary reproductions. Moreover, each co-producer shall have access to the original production material in accordance with those terms and conditions.
- 2. At the request of both co-producers and subject to the approval of the competent authorities in both countries, only one copy of the final protection and reproduction material need be made for those productions which are qualified as low budget productions by the competent authorities. In such cases, the material will be kept in the country of the majority co-producer. The minority co-producer will have access to the material at all times to make the necessary reproductions, in accordance with the terms and conditions agreed upon by the co-producers.