

INTERNATIONAL
COPRODUCTION

GUIDELINES

Ce document est également disponible en langue française

WORLDWIDE

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1. MANDATE, SPIRIT AND INTENT

1.1. Mandate

Telefilm Canada (Telefilm) is a federal cultural agency dedicated to the development and promotion of the Canadian audiovisual industry. Telefilm provides financial support to the private sector to create distinctively Canadian productions that appeal to audiences domestically and internationally.

The competent authority in Canada for audiovisual treaty coproduction is the Minister of Canadian Heritage (PCH). Telefilm acts on behalf of the Minister as the administrative authority. The decision to grant or refuse a project as an official coproduction is jointly made with the competent/administrative authority of each signatory country under the applicable coproduction agreements¹. Following the reception and evaluation of applications, Telefilm makes a recommendation to the Minister of Canadian Heritage via the [Canadian Audio-Visual Certification Office](#) (CAVCO) at PCH, which issues certificates to coproductions under the [Income Tax Act](#)².

Projects certified as official coproductions are recognized as Canadian productions. As such, they are eligible to programs and benefits offered by the governments of the coproducing countries. Applications for assistance are received and evaluated by the departments or agencies concerned, in accordance with the guidelines of each program.

Telefilm may make adjustments to these guidelines and application forms from time to time as required. Telefilm has full discretion in the application of, or exception to, these guidelines to ensure that any recommendation for certification meets the spirit and intent of the coproduction agreements. In all questions of interpretation of these guidelines, Telefilm's interpretation shall prevail.

These guidelines are intended to inform Canadian producers of the requirements and procedures to be followed when applying for an international coproduction certification. Telefilm reserves the right to request additional documentation and information as deemed necessary.

1.2. Spirit and intent

Coproduction agreements signed between Canada and other countries enable Canadian and foreign producers to pool their resources in order to coproduce projects that enjoy national production status in their respective countries. Details of existing [coproduction agreements](#) and Canada-France [mini-treaties](#) are available on Telefilm's [website](#).

Projects certified as official coproductions are intended to benefit the companies, individuals and talent of the coproducing countries. Hence, both Canadian and foreign producers must respect the spirit and intent of the coproduction agreements as well as all policies and administrative

¹ The term "coproduction agreements" refers to the international treaties, agreements or memoranda of understanding entered into between Canada and foreign countries outlining the terms and conditions for certification of official coproductions between the signatory countries.

² Some exceptions apply. See Public Notice – CAVCO 2004-01.

requirements arising from the agreements.

In the event of a discrepancy between these guidelines and the relevant coproduction agreement, the coproduction agreement will prevail.

2. ELIGIBILITY CRITERIA

Eligible projects must be coproduced with foreign producers from countries that have signed a coproduction agreement with Canada. In the case of multipartite coproductions, eligible projects must be coproduced with foreign producers from countries that have signed a coproduction agreement either directly with Canada or with the foreign coproducing country that has a coproduction agreement with Canada. Coproducers must own 100% of all rights and options necessary for the production and exploitation of the project.

2.1. Eligible Canadian applicants and their personnel

The applicant for coproduction certification must be a company. A producer is defined as an individual.

The eligible applicant must be a Canadian-owned and controlled company, as determined under sections 26 to 28 of the [Investment Canada Act](#), that is headquartered and operated in Canada. The eligible applicant must not be affiliated or associated with the foreign co-producing company; it must be incorporated and operated independently.

Furthermore, individual producers and other key production personnel exercising creative and financial control over the project submitted must be Canadian citizens as defined in the [Citizenship Act](#) or a permanent resident as defined in the [Immigration and Refugee Protection Act](#).

All individuals must be **Canadian or a permanent resident at all relevant times** meaning that an individual must be Canadian or retain a permanent resident status at the time they begin their duties in relation to the production and during the entire course of the project and post-production. An individual cannot acquire permanent resident status in order to qualify as Canadian at any point during a production; such status must be confirmed before the individual begins engaging in any activity related to the production.

2.2 Eligible projects

Audiovisual work

An audiovisual work is defined as a film and/or a television production of any length, technical medium or genre³, including live-action, animation and documentary, which complies with the provisions of the audiovisual industry in each coproducing country.

Any project aimed at the creation of an audiovisual coproduction of any length, technical medium or

³ Under the [Income Tax Act](#), certain genres can be excluded from certification by CAVCO.

genre that meets the requirements and conditions described in the applicable coproduction agreements or established by the competent authorities administering agreements can be certified as an official coproduction.

The following types of production are not eligible for certification:

- pornography; and
- any project containing elements of excessive violence, sexual violence or sexual exploitation, or of a defamatory, obscene or otherwise illegal nature as defined in the [Criminal Code](#) of Canada .

Origin of the project

A project may be originally conceived for any type of work provided that the creative, financial and technical control remains vested with the coproducers.

A project previously conceived from a third-party country⁴ may be eligible subject to the coproducer(s) demonstrating that since acquiring the underlying property, they have meaningfully developed and scripted the project. The coproducers must be fully and directly responsible for the development and implementation of the creative, artistic, technical and financial elements, and all credited scriptwriters must, for Canada, be citizens or permanent residents, and for other coproducing countries, be citizens or residents as required by the competent authorities of the coproducing countries.

Projects conceived, developed or scripted by professionals from a third-party country and then entrusted to the coproducers for financing and shooting are not eligible for official coproduction status.

3. CERTIFICATION REQUIREMENTS

Minimum contribution requirements and conditions are set out in the official coproduction agreements or have been established by the competent authorities to ensure a balanced financial, technical and creative participation from each of the coproducing countries. In the case of coproductions with more than one partner country, a minimal creative and technical contribution is required from each participating country.

Since international coproductions are intended to benefit the coproducing countries, third-party country exceptions will only be considered if the coproduction agreement allows it.

3.1. Intellectual property and copyright

⁴ Third-party country means any country not party to the coproduction agreement. In the case of a coproduction with a country that is a member of the European Union (EU), third-party country most often means from any country that is not a member of the EU.

Intellectual property rights must be shared between the coproducers in proportion to their financial participation.

3.2. Creative and technical participation

Creative and technical participation must be proportionate to the financial contribution of each coproducing country. For instance, if the financial contribution of the Canadian coproducer represents 25% of the total budget, 25% of the creative and technical positions must be filled by Canadians.

Eligible personnel

The proportionality between the financial contribution and the creative and technical participation is measured with a certain number of key positions.

Canadian key personnel

Subject to the provisions of the coproduction agreements, all key personnel for live-action, animation and documentary must be citizens or permanent residents of Canada or of the co-producing country or, in the case of coproductions with an EU member country, of an EU country.

Key personnel for live-action and documentary	Key personnel for animation Conventional animation (2D)	Key personnel for animation 3D animation
<ul style="list-style-type: none"> • Director • Scriptwriter(s) • 1st lead performer (based on on-screen time) • 2nd lead performer (based on on-screen time) • Director of photography • Production designer/Art Director • Picture editor (off-line) • Music composer 	<ul style="list-style-type: none"> • Director • Scriptwriter(s) • Storyboard supervisor • Design supervisor (art director) • 1st lead voice (base on on-screen time) • 2nd lead voice (based on on-screen time) • Picture editor (off-line) • Music composer 	<ul style="list-style-type: none"> • Director • Scriptwriter(s) • Storyboard supervisor • Design supervisor (art director) • Character model supervisor • Motion capture supervisor • Animation director • 1st lead voice (base on on-screen time) • 2nd lead voice (based on on-screen time) • Picture editor (off-line) • Music composer

Third-party country personnel

Subject to the provisions of the coproductions agreements, participation of personnel from a third-party country is allowed in specific cases such as:

	Feature films or Made-for-TV movies	TV series of up to 6 episodes	TV series of 7 to 13 episodes	TV series of 14 to 26 episodes
Per project or episode	1 lead performer and 1 cameo ⁵	1 lead performer and	1 lead performer and	1 lead performer and
Per series		1 cameo or 1 guest star	2 cameos or 1 cameo + 1 lead performer or 2 guest stars	4 cameos or 2 cameos + 2 guest stars or 4 guest stars

Exceptions to guidelines may be granted to applicants who can demonstrate to the satisfaction of both Telefilm and the coproducing country’s administrative authority that additional third-party country personnel participation is indispensable to the scenario, financing or commercial success of the project. However, projects must respect the number of performers as permitted in the coproduction agreement.

3.3. Financing and expenditures

Subject to the coproduction agreement, the minimum financial participation of each country varies from 15% to 30%. In the case of Canada-France feature film coproductions made in French with a budget of more than \$3.5 million, the minimum financial participation of either country may be 10%.

All financing received from a Canadian individual(s) or company(ies) must be used in priority to cover the Canadian expenditures⁶ which can never be lower than the minimum threshold stipulated in the coproduction agreement.

3.4. Distribution and revenue sharing

Distribution control

All exploitation rights for the Canadian market must be under the effective control of the Canadian producer or a Canadian distributor/broadcaster.

Revenue sharing

The Canadian co-producing company must own the exploitation and distribution rights in Canada and

⁵ Cameo means the brief appearance of an internationally known personality from a third-party country, involving no more than three shooting days.

⁶ Money spent in Canada or on Canadians working outside of the country for the purpose of the production.

retain a fair share of the net revenues from all territories, including the co-producing country or countries. The Canadian producer's profit share (after the costs of production have been recouped) must be at least equivalent to the treaty's minimum share requirement or to the Canadian share of the coproduction, whichever is greater.

3.5. Shooting and production locations

Location shooting

Location shooting in a third-party country may be allowed if the script or action so requires.

Animation subcontracting

Subject to the applicable coproduction agreements and foreign authority approval, subcontracting technical animation work to a third-party country for up to 25% of the project's total budget may be permitted.

Studio shooting

Studio shooting must take place in one of the coproducing countries. Generally, no studio shooting in a third-party country is permitted.

Versioning and dubbing

The production must be available for exploitation in French and/or English. The coproducers must ensure that versioning and dubbing into French or English always takes place in either coproducing country, subject to treaty requirements.

3.6. Screen credits

Screen credits provided to any individuals or companies should not reduce the prominence of the coproducers or give the impression that a project is a coproduction produced with a country other than the official coproducing countries.

Audiovisual works produced as coproductions must be presented with the mention "A Canada-[coproducing country] Coproduction" or "A [coproducing country]-Canada Coproduction".

Canadian and foreign coproducers (individuals) must be clearly, predominantly and equally identified in the credits since credits shall at no time imply that the control of the production rests with anyone other than the Canadian producer and their coproducer(s).

The coproducers' copyright must also appear in the credits.

Screen credits for third-party country's personnel

Eligible third-party country personnel as described in section 3.2, may receive screen credits they are entitled to, according to their role in the project (as performers or technicians).

Third-party country personnel may be granted producer-related credits as a courtesy provided that their functions did not interfere with the coproducers' financial and creative authority and they are related either to distribution or financing, or to the provision of production services under the strict control of the coproducers. A [sworn declaration](#) to this effect must be submitted to Telefilm.

A list of acceptable [producer-related courtesy credits](#) is available on Telefilm's [website](#).

4. PROCESS AND DEADLINES

Telefilm's recommendation process for coproduction certification involves two stages:

- Application for a preliminary recommendation
- Application for a final recommendation

To obtain a recommendation for certification, applicants must complete the relevant forms. [Application forms](#) and Telefilm's [Service Charter](#) are available on Telefilm's [website](#). Applicants are encouraged to submit their projects using Telefilm's online services [eTelefilm](#).

Applications not meeting the terms of the guidelines and coproduction agreements will be rejected.

Foreign coproducers must also submit an application for certification and receive approval from the competent authority in their own country. The list of foreign authorities is available on Telefilm's [website](#). Information and documentation provided by applicants as part of the application process may be shared between administrative and competent authorities of the coproduction agreements.

4.1. Preliminary recommendation

Applications for preliminary recommendations, duly completed and signed by an authorized representative, must be submitted for:

- live-action, feature films and documentary: **at least 30 days** prior to the commencement of principal photography.
- animation projects: at the time of key animation or, for a series, at the latest, production of the video master of the first episode.

In the case of projects applying for financial assistance from the [Canada Media Fund](#), or the [Canada Feature Film Fund](#), applications for preliminary recommendation for co-production certification should be submitted at the latest **one week** after the program deadline for each eligible genre but in any case **30 days prior** the first day of principal photography or key animation.

4.2. Final recommendation



Applications for final recommendations must be submitted as soon as production is completed or **no later than 19 months** following the end of the Canadian coproducer's taxation year in which principal photography began or, in the case of animation projects, in which key animation of the first episode was undertaken.

It is absolutely essential that the producer submit the final recommendation application within the deadlines established by the applicable competent authority to allow for forwarding of the relevant information to CAVCO. Productions that do not meet these deadlines may be refused CAVCO certification.