

**No. 9180**

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**UNITED KINGDOM OF GREAT BRITAIN  
AND NORTHERN IRELAND  
and  
ITALY**

**Films Co-production Agreement (with annex). Signed at  
Sorrento, on 30 September 1967**

*Official texts: English and Italian.*

*Registered by the United Kingdom of Great Britain and Northern Ireland on 8 August  
1968.*

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**ROYAUME-UNI DE GRANDE-BRETAGNE  
ET D'IRLANDE DU NORD  
et  
ITALIE**

**Accord de coproduction cinématographique (avec annexe).  
Signé à Sorrente, le 30 septembre 1967**

*Textes officiels anglais et italien.*

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 8 août 1968.*

No. 9180. FILMS CO-PRODUCTION AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE ITALIAN REPUBLIC. SIGNED AT SORRENTO, ON 30 SEPTEMBER 1967

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The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Italian Republic,

Considering that the films industries of their two countries will benefit from closer mutual co-operation in the production of films,

Considering that films of high quality, capable of enhancing the reputation of the films industries of the two countries, should benefit from the provisions of this Agreement,

Have agreed as follows:

*Article 1*

For the purposes of this Agreement:

- (i) a "co-production film" shall be a film made by one or more British makers (hereinafter referred to as "the British co-producer") in conjunction with one or more Italian makers (hereinafter referred to as "the Italian co-producer") and made in accordance with the terms of an approval given by the competent authorities of each country acting jointly.
- (ii) "nationals" means:
  - (a) in relation to the United Kingdom of Great Britain and Northern Ireland, British subjects;
  - (b) in relation to Italy, Italian citizens.
- (iii) "residents" means:
  - (a) in relation to the United Kingdom of Great Britain and Northern Ireland, persons ordinarily resident in the United Kingdom;
  - (b) in relation to Italy, actors and actresses, other than Italian nationals who have resided in Italy for more than three years.

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<sup>1</sup> Came into force on 25 November 1967, the date on which the Contracting Parties had notified each other of the completion of the procedures required by their constitutional law, in accordance with article 7.

- (iv) "Great Britain" means England, Wales and Scotland.
- (v) "competent authorities" means;
  - (a) in relation to the United Kingdom of Great Britain and Northern Ireland, the Board of Trade;
  - (b) in relation to Italy, the Ministero del Turismo e dello Spettacolo, Direzione Generale dello Spettacolo.

#### *Article 2*

A co-production film shall be entitled to the full enjoyment of all the benefits which are or may be accorded in Great Britain and Italy respectively to national films.

#### *Article 3*

In approving projects for co-production films for the purposes of this Agreement, the competent authorities of each country acting jointly shall apply the rules set out in the Annex, which forms an integral part of this Agreement.

#### *Article 4*

Each of the Contracting Parties shall provide facilities in the United Kingdom or Italy as the case may be in accordance with the terms of Articles 1 to 22 inclusive and Annex B of the Customs Convention on the Temporary Importation of Professional Equipment, done at Brussels on 8th June, 1961,<sup>1</sup> for the temporary admission and re-export of all cinematographic equipment (within the meaning of that Convention) necessary for the making of co-production films.

#### *Article 5*

Each of the Contracting Parties shall permit the nationals or residents of the other party freely to enter and reside in Great Britain or Italy as the case may be for the purposes of making or exploiting a co-production film subject only to the requirement that they comply with the laws and regulations relating to entry and residence.

#### *Article 6*

There shall be a Mixed Commission composed of representatives of each Government to supervise and review the working of the Agreement as well as, where necessary, to make proposals to the Contracting Parties for its modification. The Mixed Commission shall meet within one month at the request of either Contracting Party and in any event not less frequently than once a year. Its meeting shall be held alternately in Great Britain and Italy.

<sup>1</sup> United Nations, *Treaty Series*, Vol. 473, p. 153.

*Article 7*

Each of the Contracting Parties shall notify to the other the completion of the procedure required by its constitutional law for giving effect to this Agreement, which shall enter into force from the date of receipt of the later of these notifications.

*Article 8*

This Agreement shall remain in force for a period of two years from the date of its entry into force. Thereafter, it shall remain in force for successive periods of two years. Notice of denunciation may be given not later than three months before the end of any period of two years and the Agreement shall in that event terminate on the conclusion of that period.

*Article 9*

At the request of either Contracting Party, this Agreement may be revised by common consent at any time after the expiry of two years from the date of its entry into force. The Agreement may be revised by common consent at an earlier date if in the opinion of either Contracting Party changes in the films legislation or regulations of either country make this necessary.

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

DONE in duplicate at Sorrento this 30th day of September 1967 in the English and Italian languages, both texts being equally authoritative.

For the Government  
of the United Kingdom  
of Great Britain  
and Northern Ireland :

Evelyn SHUCKBURGH

For the Government  
of the Italian Republic :

Achille CORONA

## ANNEX

(i) The competent authorities of each country acting jointly shall consider any project for a co-production film that may be submitted to them and, after verifying that it conforms with the provisions of this Agreement, shall decide whether a film made in accordance with that project, subject to such conditions as they may stipulate at the time in order to achieve the general aims and provisions of this Agreement, is approved by them as a co-production film. Subject to the completed film having conformed to the terms of approval stipulated by the competent authorities of each country acting jointly, the

Contracting Governments shall take the necessary steps to ensure that it receives in their respective territories the benefits set out in Article 2 of this Agreement.

(ii) In respect of each co-production film:

- (a) the British co-producer shall fulfil all the conditions relating to his status which he would be required to fulfil, if he were the only maker, in order to be entitled to payments from the British Film Fund Agency; and
- (b) the Italian co-producer shall fulfil all the conditions which he is required by his own national law to fulfil, in order to be entitled to the full measures of support for film production provided under Italian legislation.

(iii) The benefits referred to in paragraph (ii) above shall be the sole property of the British and Italian co-producers respectively and the contract or contracts governing the making of the co-production film shall not provide for such benefits to be assigned in whole or in part by the co-producer from one country to the co-producer from the other.

(iv) Co-production films shall be made, processed, dubbed and sound-recorded in the United Kingdom and/or Italy except that the competent authorities of each country acting jointly shall have the power to approve location filming in a third country. Dubbing into languages other than English and Italian may be carried out in third countries of the language concerned. The majority of the work of making (studio and location shooting), processing, dubbing and sound-recording shall normally be carried out in the country which has the major financial participation.

(v) Individuals taking part in the making of a co-production film shall be nationals or residents of the United Kingdom or of Italy. As an exception, nationals or residents of third countries may take part as leading artists subject to the approval of the competent authorities of each country acting jointly. Where, under the provisions of paragraph (iv) approval has been given to location filming in a third country, nationals or residents of that country may be employed as crowd artists or as employees supernumerary to the normal categories of employment subject to the approval of the competent authorities of each country acting jointly.

(vi) The total production costs of a co-production film shall not be less than £100,000 or 174,000,000 lire, whichever is the greater at the prevailing rate of exchange; and the share of these relating to the co-producer from one country shall not be less than 30 per cent, save that in exceptional cases the competent authorities of each country acting jointly shall have the power to approve a share of not less than 20 per cent.

(vii) Where the co-producer from one country provides less than one-half of the total production costs, not less than one writer, one leading artist, one feature artist and six technical and studio employees who are nationals or residents of that country, shall be employed in the making of the film.

(viii) (a) Over each period of two years the contributions by the co-producers of each country to the production costs of all films made under this Agreement shall be approximately balanced by the contributions of the co-producers of the other country.

(b) Over each period of two years there shall be an approximate balance between the usage of for the one part United Kingdom and for the other part Italian studio and laboratory facilities for all films made under this Agreement.

(c) Over each period of two years there shall be an approximate balance on all films made under this Agreement:

- (1) on a time basis between the employment of leading artists who are nationals or residents of the United Kingdom for the one part and of Italy for the other ; and
- (2) on a *per capita* basis between the employment of artists, other than leading artists and crowd artists, who are nationals or residents of the United Kingdom for the one part and of Italy for the other ; and
- (3) on a *per capita* basis between the employment of all other personnel, including technicians but excluding crowd artists, who are nationals or residents of the United Kingdom for the one part and nationals of Italy for the other.

(d) The music for films covered by this Agreement shall be composed and performed by nationals or residents of the country which has the major financial participation. Any departure from this principle must be approved by the competent authorities of each country acting jointly.

(ix) The provisions in the contract for a co-production film covering the division between the co-producers of the receipts from the exploitation of the film including those from export markets shall be approved by the competent authorities of each country acting jointly.

(x) Approval shall not be given to a co-production project where the co-producers are linked by common management or control, other than to the extent that is inherent in the making of the co-production film itself.

(xi) The competent authorities of each country acting jointly shall satisfy themselves before giving their approval to a co-production project that the project is fully capable of being realised within the terms of their approval. For this purpose they may take all necessary steps to satisfy themselves as to the availability within the time required of the necessary finance, personnel and technical means. The contracts between the co-producers of a co-production film shall specify the dates by which their respective contributions to the production of that film shall have been completed.

(xii) The competent authorities of each country acting jointly shall satisfy themselves that conditions of employment in the making of co-production films under this Agreement in each of the two countries are in broad terms comparable. Conditions of work in the making of co-production films shall be those prevailing in the United Kingdom or Italy. In the case of location shooting in the country of minor financial participation, working conditions of the country of major financial participation may be complied with, provided

they are not inconsistent with those prevailing in the country of minor financial participation. In the case of location shooting in a third country, conditions of work shall be those prevailing in the country of major financial participation.

(xiii) Where a third country enquires for the purpose of its import controls whether a film covered by this Agreement is British or Italian, the competent authorities of each country acting jointly shall give a decision.

(xiv) At least 90 per cent of the photographs included in a co-production film shall be specially shot for that film. The competent authorities of each country acting jointly shall have the power to approve variation of this minimum percentage.

(xv) The approval of a project for a co-production film by the competent authorities of each country acting jointly under the provisions of paragraph (i) of this Annex shall not bind the authorities in either country to permit the public exhibition of the resulting film.

(xvi) The contracts between the co-producers shall clearly set out the financial liability of each co-producer for the costs incurred:

- (a) in preparing a project which is refused conditional approval as a co-production film by the competent authorities of each country acting jointly ;
- (b) in making a film which has been given such conditional approval and fails to comply with the conditions of such approval ; or
- (c) in making an approved co-production film permission for whose public exhibition is withheld in either country.

(xvii) The contracts between the co-producers shall provide that every co-production film shall have two negatives or at least one negative and one duplicate negative, and that each co-producer shall be the proprietor of a negative or duplicate negative and shall have the right to use it for taking a duplicate negative or prints in accordance with the conditions set forth in the contract.

(xviii) Each co-production film shall include a separate credit title indicating that the film is either a "British-Italian" co-production film or an "Italo-British" co-production film.

(xix) Payments and financial transfers in connection with films made under this Agreement shall be effected within the framework of existing agreements and regulations.

(xx) The provisions of paragraphs (iv), (v), (vi), (vii), (viii) and (x) of this Annex may from time to time be varied by the competent authorities of each country acting jointly, after consultation with the Mixed Commission, and any such provisions shall take effect as so varied when the variation has been published both in the United Kingdom in the *Board of Trade Journal* and in Italy in the *Bollettino Ufficiale del Ministero del Turismo e dello Spettacolo*.

(xxi) Films made in accordance with an approved co-production project but completed after the termination of this Agreement shall be entitled to all the benefits conferred by Article 2 of this Agreement.

(xxii) The competent authorities of each country shall consult on the Rules of Procedure.