No. 10728

FRANCE and ITALY

Agreement on film co-production. Signed at Paris on 1 August 1966

Authentic texts: French and Italian.

Registered by France on 3 September 1970.

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Accord de coproduction cinématographique. Signé à Paris le 1^{er} août 1966

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[Translation — Traduction]

AGREEMENT 1 ON FILM CO-PRODUCTION BETWEEN FRANCE AND ITALY

The French and Italian authorities note with satisfaction the general results of the joint film policy of the two countries.

They resolve that they will maintain and endeavour to develop that policy under this Agreement.

The responsible authorities are convinced that by uniting their efforts and their resources to further the exchange and co-production of films, the Italian and French film industries will continue to make an effective contribution to the dissemination of the culture of the two countries and of the form of civilization to which both of them belong and will promote their economic expansion.

The authorities of the two countries resolve that films which, because of their technical excellence and their artistic or dramatic merit, are capable of enhancing the reputation of Italy and France as producers of cinematographic films shall be eligible for the privileges granted by the said authorities to co-production films of the two countries.

Article 1

Full-length co-production films covered by this Agreement shall be treated as films of national origin by the authorities of the two countries.

The films in question shall *ipso facto* benefit from the privileges granted to films of national origin under such provisions as are at present or may hereafter be in force in each of the two countries.

These privileges shall accrue only to the producers of the country by which they are granted.

The competent authorities of the major co-producing country may request the authorities of the other country to suspend any financial privileges accruing

¹ Came into force on 1 August 1966 by signature, in accordance with article 15.

to the minor co-producer if he has failed to meet this financial obligations to the major co-producer.

Article 2

In order for a film to be treated as a co-production film, the co-producers must demonstrate sound organization through their selection of the technical and artistic personnel who are to take part in the production of the film.

In order to ensure the most effective production of co-production films, a projected film shall not be treated as a co-production film unless the major responsible producer is competent in his profession and, specifically, unless he has produced at least three films of national origin or three films in which he has been the major participant during the three preceding years. This requirement may, as an exception, be waived by the authorities of the major co-producing country.

Co-producers must also demonstrate that they have sufficient financial backing to complete the production.

A producer shall not benefit from privileges under the Agreement for purposes of the production of a film in which he is to be a minor participant unless he has produced a film of national origin or has been the major participant in a co-production film treated as being of national origin within the two preceding years.

The number of co-production films which a producer may make as a minor participant shall not exceed twice the number of films produced by him as films of national origin or as co-production films in which he has been the major participant.

Foreign directors, technicians and actors habitually resident and working in either of the two countries may, as an exception, take part in the co-production of films on behalf of their country of residence.

However, French nationals habitually resident and working in Italy and Italian nationals habitually resident and working in France may take part in co-productions only on behalf of the country of which they are nationals.

The participation of actors who are not nationals of either co-producing country shall be permitted only as an exception and with the agreement of the authorities of the two countries, due account being taken of the requirements of the film.

Location shooting in a country not participating in a co-production may be permitted if it is required by the action of the film and the technical conditions of its production.

Article 3

Each co-production film shall comprise two negatives or, failing that, one negative and one duplicate.

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

Co-production films shall be made in French, Italian or bilingual French-Italian versions.

Close-up scenes must be filmed in the two versions.

The sound recording shall be effected with lip synchronization.

Article 4

Every facility shall be granted in connexion with the travel and stay in either country of the artistic and technical personnel working on these films and in connexion with the import and export to and from either country of the necessary material for the production and exhibition of co-production films (raw stock, technical material, costumes, properties and advertising material).

Article 5

- I. The cost of a co-production film shall not be less than 1,400,000 French francs.
- II. Minor participation in each film shall not be less than 30 per cent of the cost of its production.
- III. (1) The contribution of the minor co-producer must include effective technical and artistic participation and at least one associate director, one writer, one actor cast in a leading role and one actor cast in a supporting role.
- (2) An Italian or French director complying with the requirements of article 2 shall be employed for each film.
- IV. In the case of films of unquestionable artistic merit or "spectaculars", the requirements laid down in the preceding paragraphs may, as an exception, be waived by the authorities of the two countries.

The production costs of films in the latter category shall not be less than 2,500,000 French francs.

Participation by the minor co-producer shall not be less than 20 per cent of the cost of the film.

Article 6

The authorities of the two countries shall give favourable consideration to the co-production of films of international quality by Italy, France and those countries with which they both have co-production agreements; the conditions for the treatment of these films as co-production films shall be examined separately in each case.

- 1. The Joint Commission referred to in article 14 shall determine each year the minimum cost figure for tripartite or multilateral co-production films.
- 2. Minor participation in such films shall not be less than 20 per cent of the cost.
- 3. The obligation to make a technical and artistic contribution may be waived in the case of a minor co-producer whose participation does not exceed 20 per cent of the cost.
- 4. The contract for a tripartite co-production film shall designate a spokesman from among the co-producers whose participation shall not be less than 40 per cent of the cost. Where participation is equal, the competent authorities of the two countries may waive the rule regarding the minimum participation of the spokesman.
- 5. The contract for a quadripartite co-production film shall designate a spokesman from among the co-producers whose participation shall not be less than 30 per cent of the cost.

Article 7

The situation as regards equality of over-all financial, artistic and technical participation by the co-producing countries shall be examined annually by the Joint Commission.

Settlements of accounts shall also be effected so as to maintain equality in financial transfers between the co-producing countries.

Article 8

Application for the grant of privileges to a film under the Agreement on film co-production shall be submitted to the competent authorities, together with the required documents, thirty days before filming begins.

Article 9

The balance due on the contribution of the minor co-producer shall be emitted to the major co-producer within sixty days of delivery of all the material needed to prepare the version in the language of the country having minor participation.

Failure to comply with this provision shall result in withdrawal of the privileges granted to co-production films.

Article 10

Contract provisions for the apportionment of receipts or markets among co-producers shall require the approval of the competent authorities of the two countries.

Article 11

- I. If a co-production film is exported to a country where film imports are subject to quota restrictions, the film shall as a rule be charged against the quota of the country having the major financial participation.
- II. In the case of a film in which the two countries have participated on an equal basis, the charge shall be made against the quota of the country having the better export opportunities.

In the event of difficulties, the film shall be charged against the quota of the country of which the director is a national.

III. If the films of one of the co-producing countries can enter the importing country without restriction, the benefit of this arrangement shall automatically apply to co-production films on the same basis as to films of national origin.

Article 12

Upon release, co-production films shall bear the designation "Franco-Italian co-production" or "Italo-French co-production".

This designation shall appear as a separate title in the credits of each film and shall be included in commercial advertisements of the film and in material relating to the showing of the film at artistic and cultural events, particularly international festivals.

In the event of disagreement between the co-producers, a film shall be entered at international festivals by the country having the major financial participation.

A film in which the two countries have participated on an equal basis shall be entered by the country of which the director of the film is a national.

Article 13

The film authorities of the two countries shall jointly determine the procedural rules applicable to co-production.

Article 14

During the period of validity of this Agreement, a Joint Commission, meeting alternately in Italy and in France, shall be convened each year on the initiative of the competent administrative authorities.

In the event, however, that substantial changes are made in the internal legislation of either country, an extraordinary session shall be convened within one month.

The Italian delegation shall be presided over by the Director-General for Theatre Arts.

The French delegation shall be presided over by the Director-General of the National Film Centre.

They shall be assisted by officials and experts duly authorized for the purpose.

The duties of the Commission shall be to examine and resolve any difficulties arising out of the application of this Agreement, to consider possible amendments thereto and to make proposals concerning its renewal.

In addition to the annual sessions of the Joint Commission, the administrative authorities of either country may request the convening of an extraordinary session.

Article 15

This Agreement shall enter into force on the date of its signature and shall supersede the Agreement of 7 October 1961.

It shall remain in force until 31 December 1966.

It shall be automatically renewed from year to year unless one of the Contracting Parties denounces it by giving written notice of at least three months to that effect.

It has been drawn up in duplicate in the French and Italian languages, both texts being equally authentic.

DONE at Paris on 1 August 1966.

For the Government of the French Republic:

For the Government of the Italian Republic:

Olivier Wormser [SEAL]

Giovanni Fornari [SEAL]