

**No. 14036**

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**SWEDEN  
and  
ISRAEL**

**Agreement on the co-production of films (with appendix).  
Signed at Stockholm on 10 September 1971**

*Authentic text: English.*

*Registered by Sweden on 20 May 1975.*

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**SUÈDE  
et  
ISRAËL**

**Accord de coproduction cinématographique (avec annexe).  
Signé à Stockholm le 10 septembre 1971**

*Texte authentique : anglais.*

*Enregistré par la Suède le 20 mai 1975.*

## AGREEMENT<sup>1</sup> ON THE CO-PRODUCTION OF FILMS BETWEEN SWEDEN AND ISRAEL

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The Government of the Kingdom of Sweden and the Government of the State of Israel, desiring to encourage and to enlarge the cooperation between the film industries of their two countries, have agreed as follows:

*Article 1.* Films that are made in co-production within the terms of the present Agreement shall be considered as national films by the competent authorities of the two countries.

They shall be entitled to full enjoyment of the resulting benefits by virtue of the existing regulations or those which might be enacted in each country.

The existing regulations concerning the financial aid of Svenska Filminstitutet to co-productions between Sweden and foreign countries shall also apply to films produced in co-production between Sweden and Israel within the terms of the present Agreement.

The production of films in co-production between the two countries must receive the approval, after mutual consultation, of the competent authorities of the two countries.

For the purpose of this Agreement the term “competent authorities” refers to:

- in Sweden, Svenska Filminstitutet,
- in Israel, the Israel Film Centre, Ministry of Commerce and Industry.

*Article 2.* To benefit from the privileges granted to co-productions within the terms of this Agreement, films must be made by producers of satisfactory technical and financial standing and with professional experience recognized by their respective national authorities.

*Article 3.* To benefit from the privileges of the co-production, the minimum financial participation of one country must correspond to 25% of the total production costs of the film.

The technical and artistic participation of each country shall correspond to its financial participation.

*Article 4.* The films must be produced by directors, technicians and artists who are of the Swedish or the Israeli nationality or who belong to the cultural community of one of these two countries.

The participation of an artist who does not meet the requirements of nationality or cultural community may be approved only by exception.

*Article 5.* Over a period of one year, a general balance shall be obtained in all films co-produced under this Agreement in respect of financial and artistic participation as well as the utilisation of technical facilities (studios and laboratories) in both countries.

The Mixed Commission, foreseen in Article 13 of this Agreement, shall examine the balance and, if necessary, take steps to maintain an equilibrium.

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<sup>1</sup> Came into force on 10 September 1971 by signature, in accordance with article 15.

*Article 6.* Every co-produced film must have two negatives, or one negative and one dupe negative.

Each co-producer shall own one negative of the film or a master dupe positive. Should there be only one negative or master dupe positive, each co-producer shall have the right to strike or let strike a copy from that negative or master dupe positive.

*Article 7.* The revenues resulting from exploitation in Sweden of a co-produced film belong to the Swedish co-producer and those resulting from the exploitation of the same film in Israel to the Israeli co-producer.

Revenues resulting from the exploitation of a co-produced film in countries other than Sweden and Israel shall be divided between the co-producers in proportion to their respective participation in the total cost of the film.

Participation in revenues from countries other than Sweden and Israel may be operated either in percentage of the total revenues, or by way of a geographical division of export markets in approximate proportion to the financial participation of the co-producers, or by way of combination of these two methods. The Agreement concerning the division of revenues will be submitted for approval to the competent authorities of both countries.

In principle, the exportation of a co-produced film shall be the responsibility of the major co-producer, i.e., the producer whose financial participation is the greater.

In case a co-produced film is exported to a country where import of films is limited by quotas, the film shall, in principle, be accounted to the quota of the country whose financial participation is the major.

In case the participation of both countries is equal, the film shall be accounted to the quota of the country who has better export possibilities.

In case a co-produced film is exported to a country where import of films is unrestricted for one of the co-producing countries, the film shall be exported by that country.

*Article 8.* The credit titles, the announcements and all other publicity material issued about a co-produced film must mention the co-production between Sweden and Israel.

In principle, the presentation of a co-produced film at international film festivals shall be the responsibility of the country of the major co-producer. Films co-produced in equal participation shall be presented at international film festivals by the country to which the director belongs.

*Article 9.* The competent authorities of the Contracting Parties shall consider co-production of films of international standard between Sweden and Israel and other countries with which one or the other is linked by a co-production agreement.

The conditions of approval of such co-productions shall be examined separately in each case.

*Article 10.* The competent authorities will do their best to facilitate the travel, entry and sojourn of the artistic and technical crews collaborating in these films, as well as the exportation and importation, in each country, of the material and equipment necessary for the making and the distribution of the film (film, technical material, costumes, set decorations, publicity material).

*Article 11.* Applications for approval of a co-production shall be submitted to each of the competent authorities of the Contracting Parties in accordance with the Appendix to this Agreement.

The co-production contract shall contain a clause to the effect that approval of the co-production does not bind the authorities of the Contracting Parties to permit the public exhibition of the film.

One clause shall stipulate the financial liability of each co-producer, should approval for distribution or exhibition of the film be withheld in either country or in a third country.

*Article 12.* Subject to the laws and regulations of the respective countries, the sale, exploitation, importation and distribution of completed films shall in no way be restricted on either side.

*Article 13.* A Mixed Commission composed of representatives of the competent authorities and professional experts from the two countries shall supervise and review the working of this Agreement and shall examine any proposal for modification of it.

Throughout the duration of this Agreement the Commission shall meet once a year, alternately in Israel and in Sweden. It may also be summoned at the instance of either Party.

In the event of modifications in existing laws or regulations applicable to the film industry which are deemed harmful to one of the Contracting Parties, the Commission will meet not later than two months from the date of publication of the said modification.

*Article 14.* This Agreement shall remain valid even after its date of expiry, for the purpose of liquidating revenues due from films co-produced thereunder.

*Article 15.* This Agreement shall enter into force on the day of signature. It shall remain in force for one year and shall be automatically renewed for further periods of one year unless denounced by one of the Contracting Parties three months before its expiry.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement. Done in duplicate at Stockholm on the tenth day of September nineteen hundred and seventy-one.

For the Government  
of the Kingdom of Sweden:

[Signed]

INGVAR CARLSSON

For the Government  
of the State of Israel:

[Signed]

YIGAL ALLON

## APPENDIX

## PROCEDURE OF APPLICATION

To benefit from this Agreement, the co-producers of each country shall submit to their competent authority, with their application for approval of co-production, the following:

1. a detailed script;
2. proof that the screen rights have been legally acquired;
3. the co-production contract, signed by the co-producing companies;
4. a detailed budget and financing plan;
5. a statement of the technical and artistic participation of both countries;
6. the production plan;
7. a detailed statement of each company's participation in the financing of the film with a clause stating which of the two companies holds the executive responsibility for the production, and a clause concerning the financial consequences or the division of revenues which might result from an eventual excess of the budget.

Application for co-productions must first be submitted to the competent authorities of the country of the major co-producer.

Following approval of these authorities it shall be submitted to the authorities of the country of the minor co-producer with the approval of the country of the major co-producer. When the co-production is of equal participation the approval of one country's competent authority is not valid without the approval of the other country's competent authority.

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