

**No. 22045**

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**MEXICO  
and  
VENEZUELA**

**Agreement on film production (with norms of procedure).  
Signed at Caracas on 29 July 1974**

*Authentic text: Spanish.*

*Registered by Mexico on 13 July 1983.*

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**MEXIQUE  
et  
VENEZUELA**

**Accord cinématographique (avec normes de procédure).  
Signé à Caracas le 29 juillet 1974**

*Texte authentique : espagnol.*

*Enregistré par le Mexique le 13 juillet 1983.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> ON FILM PRODUCTION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA AND THE GOVERNMENT OF THE UNITED MEXICAN STATES

The Governments of the Republic of Venezuela and of the United Mexican States, desiring through the co-production of films, to disseminate the cultural heritage of both peoples and with the aim of promoting and developing the commercial interests of their respective film industries on the basis of equal rights and mutual benefits, have adopted the following terms of agreement,

*Article 1.* (a) Full-length cinematographic films, co-produced according to the provisions of this Agreement, shall be considered as national films of both countries and shall enjoy the resulting advantages, under the regulations in force or those which may be enacted in either country.

(b) Short films shall qualify for the benefits of co-production on the basis of the norms established by agreement between the competent authorities of the Contracting Parties.

*Article 2.* The co-production of films shall be approved, after mutual consultation, by the competent authorities of both countries, namely in Mexico, the Dirección General de Cinematografía, and in Venezuela, the Corporación de Turismo de Venezuela.

*Article 3.* (a) In order to benefit from co-production privileges, the films must be proposed by producers who have an adequate technical and financial organization and professional experience recognized by the national authorities of the country concerned.

(b) The admission of a producer to the privilege of minority co-production shall be governed by the norms relevant in his country.

(c) Mexican citizens residing in Venezuela and Venezuelan citizens residing in Mexico may participate in the co-productions as citizens of their own countries provided that, on the basis of reciprocity, the legislation of their respective countries recognizes their ability to do so.

*Article 4.* (a) One negative and one fine-grain print (for duping) shall be made of each co-production film. The major producer shall be the owner of the original negative and the minor producer of the fine-grain print for duping with respect to image and sound, titles or sub-titles, each Party being responsible for the proper use of such negatives, in accordance with the contract.

(b) The negative of films shot in Venezuela shall be developed by Venezuelan laboratories and that of films shot in Mexico by Mexican laboratories, unless, for technical reasons, the co-producers agree otherwise and this agreement is authorized by the competent authorities of both countries.

<sup>1</sup> Came into force on 3 May 1983, the date of the last of the notifications (effected on 9 September 1982 and 3 May 1983) by which the Parties informed each other of the completion of their required legal formalities, in accordance with article 17.

*Article 5. (a)* The copies to be shown in each co-producing country shall be prepared in the country concerned.

Everything connected with the printing of copies for films intended for exhibition in other countries shall be based on the respective participation percentages agreed upon in the contract between the co-producers, it being understood that exceptions to this rule must be approved by the competent authorities.

*(b)* In accordance with their respective legislation and on the basis of reciprocity, both countries shall agree that the films and copies obtained from Venezuelan or Mexican co-productions with third countries shall enjoy freedom of entry into both Venezuela and Mexico. For this purpose, the film governing bodies of the contracting countries shall grant the appropriate authorizations in each case. The percentage of the minor co-producer shall be 30 per cent (thirty per cent).

*Article 6. (a)* The films shall be produced under the following conditions: The share of the respective contributions of the producers of the two countries may vary between 30 per cent and 80 per cent per film and the minority participation shall not be less than 30 per cent of the film's production cost.

*(b)* The films shall be made by directors, technicians and artists who are of Venezuelan or Mexican nationality or who habitually work in one of the two countries. Each film shall have at least one assistant director, one qualified technician, one script writer or one adapter, one actor with a main role and one with a secondary role of the nationality of the co-producer with the minority financial participation. The participation of a performer of international repute who is not a national of either of the two countries bound by this Agreement may be allowed if his presence is required by the subject of the film. In any case, the participation of Venezuelan and Mexican technical and artistic personnel shall be proportional to the contribution of each co-producer. The employment of unskilled workers shall be governed by the labour laws of the country in which the film is made.

*(c)* In the light of the requirements of scenarios and/or backgrounds, filming may take place in exterior locations or in natural surroundings in a country which does not participate in the co-production.

*(d)* The cash prizes and subsidies granted in each country to co-producers of that nationality shall be intended only for them; they may not be transferred or shared with the co-producer of the other country.

*Article 7.* A general balance shall be maintained in both the financial and the artistic aspects of co-production and in the use of the technical facilities of the two countries (studios and laboratories).

The Joint Commission provided for in article 13 of this Agreement shall consider whether or not this balance has been respected and, if not, shall suggest what steps should be taken to establish such a balance. The general balance referred to in the preceding paragraph shall be understood to refer to all the co-productions made while this Agreement is in force.

*Article 8. (a)* Earnings from the exhibition of a co-production shall be shared by the co-producers in proportion to the percentage of their participation. Such apportionment shall be approved by the competent authorities of the two countries. In principle, the exportation of the films produced shall be the responsibility of the majority producer.

(b) If a co-production film is exported to a country where film imports are subject to restrictions or quotas, the film shall be attributed to the country which has the greatest facilities for exporting it, and shall be designated as Venezuelan-Mexican or vice versa.

(c) If the films of one of the Parties can enter the importing country without restriction, the co-production films shall benefit from that arrangement.

*Article 9.* Film credits, trailers and publicity material for co-production films shall mention Mexican and Venezuelan co-production or vice versa. The exhibition at festivals of co-production films shall be the responsibility of the country to which the majority producer belongs, except when there is special agreement between the two authorities. Films in which the participation is equal shall be presented by the country of which the director is a national.

*Article 10.* The competent authorities shall encourage the co-production of films of high international quality by Venezuela and Mexico and countries linked to them by a co-production agreement. The conditions for approving such films shall be studied on a case-by-case basis.

*Article 11.* Every facility shall be granted for the entry, exit, movement and stay of the artistic and technical personnel working on co-produced films, as well as for the importation or exportation into and from either country of the equipment necessary for the shooting and exhibition of co-produced films (raw film, technical equipment, costumes, sets, publicity material, etc.), whenever such material does not exist in the country in which the film is being made.

*Article 12.* The two Contracting Parties undertake to transmit to each other any information concerning the exchange of films, co-productions, trade unions agreements and in general everything connected with the cinematographic relations between the two countries.

*Article 13.* There shall be a Joint Commission the task of which shall be to consider and resolve difficulties concerning the application of this Agreement. This Commission shall in principle meet every year, alternately in Mexico and Venezuela; it may also be convened at the request of one of the Contracting Parties, especially in the case of any important amendment to either the legislation or the regulations applicable to the film industry in one of the countries.

*Article 14.* The co-production procedure shall be subject to the norms of procedure set forth in the annex to this Agreement.

*Article 15.* Without prejudice to the legislation and regulations currently in force in the two countries, the sale, importation and exhibition of national films shall not be subject to any restriction by the Contracting Parties. Each country shall grant every facility for the internal distribution of the national films of the other. The Corporación de Turismo de Venezuela shall authorize the importation and exhibition of Mexican films in Venezuela; similarly, the Dirección General de Cinematografía in Mexico shall authorize the importation and exhibition of Venezuelan films in Mexico. During the first year after the signing of this Agreement, the imports of Venezuelan films into Mexico and vice versa shall be evaluated in order to review the reciprocity and mutual benefit which should be enjoyed by the film productions of both countries.

*Article 16.* All disputes between the Contracting Parties concerning the interpretation or execution of this Agreement shall be settled by the peaceful means recognized by international law.

*Article 17.* Each of the Contracting Parties shall notify the other of the completion of the formalities required by its legislation for the execution of this Agreement, which shall enter into force on the date of the last such notification.

This Agreement shall be concluded for an initial period of two years, automatically renewable each year, and may be denounced by either Party, at any time, in writing, with three months' notice.

DONE in the city of Caracas, on 29 July 1974, in two equally authentic original copies.

For the Government of the Republic of Venezuela:

[Signed]

EFRAÍN SCHACHT ARISTEGÜETA  
Minister for Foreign Affairs

For the Government of the United Mexican States:

[Signed]

EMILIO O. RABASA  
Secretary for Foreign Affairs

#### NORMS OF PROCEDURE REFERRED TO IN ARTICLE 14

Requests to qualify for the benefits of film co-production shall be deposited in Venezuela with the Corporación de Turismo de Venezuela and in Mexico with the Dirección General de Cinematografía of the Government Secretariat at least thirty (30) days before the date on which shooting is to start.

The documents required to qualify shall include the following:

- (1) A detailed scenario;
- (2) A document proving that the copyright for the cinematographic adaptation has been acquired legally;
- (3) A budget and a detailed plan of financing;
- (4) A list of the technical and artistic equipment provided by each country;

- (5) A work plan for the film;
- (6) A co-production contract.

For the Government of the Republic of Venezuela:

[Signed]

EFRAÍN SCHACHT ARISTEGÜETA  
Minister for Foreign Affairs

For the Government of the United Mexican States:

[Signed]

EMILIO O. RABASA  
Secretary for Foreign Relations

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