



**CO-PRODUCTION AGREEMENT**

**BETWEEN**

**THE GOVERNMENT OF THE FRENCH SPEAKING  
COMMUNITY OF BELGIUM**

**AND**

**THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF  
URUGUAY**

The Government of the French Speaking Community of Belgium and the Government of The Oriental Republic of Uruguay

Here after named as "the Parties",

Considering that it is desirable to establish a framework for film relation and, more specifically, for their co-productions,

Aware of the contribution that could result from quality co-productions to the development of the film and audiovisual industry, as well as to the increase of economic and cultural exchanges,

Convinced that this cultural and economic co-operation shall surely contribute to weave closer links between both Parties,

Considering the Belgian constitutional situation granting the Communities and the Regions the competence to sign international treaties in the matters pertaining to their exclusive competencies, in accordance with article 167 of the Belgian Constitution,

Considering the fact that the Communities are competent in Belgium in the matters of culture, in accordance with article 4 of the Act of Institutional Reform of 8 August 1980,

**Have agreed as follows:**

## **I. CO-PRODUCTION**

### **Article 1:**

As regards the agreement, the word "film" refers to film works or audiovisual content of any duration and on any medium whatever their genre (fiction, animation, documentaries), that comply with the law and rules of each of both Parties and which are first shown in cinemas and then on television, videocassette, videodisc, CD-ROM, DVD, Blue Ray, VOD, or through any other distribution or support media. New forms of film production and distribution are also included in this agreement;

### **Article 2:**

The "competent authorities" of each party are:

- For the French Speaking Community of Belgium: the Film and Audiovisual Center;
- For the Government of the Oriental Republic of Uruguay, the Film and Audiovisual National Direction (ICAU).



### **Article 3:**

1. The films co-produced and which are granted access to this agreement are deemed to be national film pursuant to the law prevailing on the territory of each of both Parties.
2. The co-produced films which are granted access to this agreement enjoy, as a right, on the territory of each of the Parties, the advantages resulting from the ruling provisions relating to film industry or the provisions that could be promulgated later by each Party.

Each competent authority communicates to the competent authority of the other party the list of texts relating to these advantages.

If these texts come to be modified, in whatever way by one or the other Party, the competent authority of the involved Party commits to communicate the contents of these changes to the competent authority of the other Party.

3. Requests to be provisionally granted access should respect the procedures imposed on each Party and should comply with the minimal conditions set in Appendix 1 to this agreement (provisional approval).

Competent authorities communicate to one another every information regarding the access granting, the denial of access, the modification or the withdrawal of access granting requests.

Before rejecting a request, both competent authorities should consult.

In order to be definitely granted access to this agreement, the co-produced films must be approved by the competent authorities at the latest four months after the theatrical release on the territory of one of the Parties, following the conditions set in Appendix 1 to this agreement (final approval).

### **Article 4:**

1. To be granted access to this agreement, film should be produced by producing companies having a fair technical and financial organisation and a professional experience acknowledged by the Party to which they pertain.



2. Major artistic and technical co-operators should either have the Uruguayan or the Belgian nationality or be a national of a member state of the European Union.

Each co-produced film should have major artists and technicians of both Parties to participate in it. The proportion of composition of main artists and technicians of the two Parties should be negotiated by the producers of the two Parties before the film is submitted to the responsible departments of the two Parties for approval.

Foreigners other than nationals from above-mentioned states, who are permanent resident in Uruguay or in Belgium in compliance with the enforced rules on the territory of each Party, are, for the enforcement of this paragraph, assimilated to Uruguayan and Belgian nationals.

Performers not enjoying one of the above mentioned nationalities can exceptionally be accepted after agreement between both competent authorities, taking into account the requirements of the film.

3. Studio shootings should be preferably done in studios established on the territory of one or the other Party.
4. Shootings made in natural settings on the territory of a third Party State that does not take part in the co-production can be allowed after the competent authorities of the two Parties agree, if the script or the action of the film demands it.

#### **Article 5:**

Film should be produced in compliance with the following conditions:

The proportion of respective contributions of the co-producer(s) of each Party in a co-production film can vary from 20 (twenty) % to 80 (eighty) % of the agreed cost of the film.

Every co-produced film should comprehend, on both sides, an effective artistic and technical participation and comply with the respective conditions of agreement of each Party. Strictly financial co-productions are not granted access to this agreement.

The participation of the minority co-producer should at least in any case comprehend:

1° an author or a lead technician;

2° an actor in a major role or two supporting actors or, provided previous agreement with the competent authority, a second author or a second lead technician.

The co-production of short length film will only be allowed by both parties after consideration of the projects of these works, case per case.

#### **Article 6:**

Each co-producer is co-holder of the tangible elements of the film.

The material should be registered to the joint names of the co-producers in a jointly agreed upon laboratory to which each co-producer should have access.



#### **Article 7:**

Subject to respect of the prevailing law and rules, all facilities should be granted for the circulation and the stay of artistic and technical staff members co-producing those films as well as for the import or export from and to each country of material required for the production and the exploitation of co-production films (reels, technical material, costumes, setting elements, advertisement material, etc.).

As far as the French Speaking Community of Belgium is concerned, the facilities granted in article 7 exclude the matters falling under the competences of the Belgian federal government.

#### **Article 8:**

A general balance must be found between the Parties as well as regards the artistic and technical contributions as the financial ones: this balance should be evaluated by the joint Committee foreseen at article 13.

To reach this evaluation, the competent authorities of both Parties – on the basis of the files for the access granting procedure of a film to this Agreement – establish a recapitulative list of all subsidies and financing sources such as mentioned in Appendices 2 and 3 to this Agreement.

The analysis of the general balance should, among other things, rest on:

- the breakdown of the confirmed subsidies and financing sources to co-productions for the reference year, whereby the appreciation of this breakdown occurs on the basis of the global amount of the budgets of mentioned co-productions;
- the taking into account, beyond the number of films co-produced by both Parties, of the films pre-sold by the distributors and broadcasters of both Parties to the profit of the producers of those films during the reference year and of the amount of these pre-sales;
- the breakdown of Uruguayan investments, on the one hand, and of the Belgian ones on the other hand, in Uruguayan-Belgian co-productions.

Should an imbalance appear, the designated authorities will consider the means to restore the balance, and take all necessary measures for that purpose.



### **Article 9:**

Credits, trailers and all promotional material of films or audiovisual contents coproduced in the framework of this agreement should mention the official coproduction between the Oriental Republic of Uruguay and the French speaking Community of Belgium.

The presentation in festivals of co-produced films should be ensured by the Party of the majority co-producer, except if otherwise mentioned by the co-producers.

### **Article 10:**

The breakdown of the income happens proportionally to the total contribution of each co-producer.

This breakdown consists either in a sharing of the income, or a geographical sharing, or a combination of both formulae taking into account the difference of volume of the existing markets of the Parties.

### **Article 11:**

The Parties agree that the film that are granted access to this agreement can be co-produced with one or more producers from States with which one or the other Party has concluded agreements as concerns film co-production.

The access granting conditions for such film should be considered on a case-per-case basis.

## **II. DISTRIBUTION AND PROMOTION**

### **Article 12:**

The Parties agree to use the means available to enhance the distribution, circulation and promotion of the co-produced films or audiovisual content in each other's Party.

The Parties consider the means available to enhance the reciprocal distribution and promotion of film of one another.

They acknowledge the necessity to promote film cooperation and cultural diversity by facilitating the acknowledgement of one another's reciprocal film production, among others through film education programs or programs to promote the participation in film festivals.



### **III. JOINT COMMITTEE**

#### **Article 13:**

A joint Committee is commissioned to evaluate the terms of application of the present agreement, to solve the potential difficulties and to study the desirable changes in order to develop the film cooperation for the common interest of the two Parties.

During the validity of the present agreement, this joint Committee will meet every two years, alternately in the Oriental Republic of Uruguay and in the French Speaking Community of Belgium.

The joint Committee can also be called upon request of one of the competent authorities, among others in case of substantial changes, either of the law, or of the regulation applicable to the film industry.

The joint Committee will be composed of the competent authorities of the two Parties, which will associate professional unions concerned by this agreement.

### **IV. INFORMATION EXCHANGE**

#### **Article 14:**

The competent authorities of each Party transmit to the other one any information regarding co-production, film exchanges and, in general, any details relating to cinematographic relations between both parties.

### **V. DURATION AND RENEWAL**

#### **Article 15:**

The co-production agreement is concluded for a period of two years.  
It is tacitly renewed each time for a period of two further years.

### **VI. DENUNCIATION**

#### **Article 16:**

Any dispute that may arise from the interpretation or application of this Agreement shall be settled amicably through consultations and direct negotiations between the Parties through diplomatic channels.

The agreement can be denounced any time by one of the Parties by a written notice addressed through diplomatic ways, with a notice of six months.

The denouncement does not invalidate the rights and the obligations of the Parties linked to the projects in the framework of this agreement, except opposite decision by both Parties.

## **VII. COMING INTO FORCE**

### **Article 17:**

Each Party shall notify the other, through diplomatic channels, of the compliance with the internal procedures necessary for the entry into force of this agreement on the first day of the second month following the day of receipt of the second notification.

## **VIII. AMENDMENT**

### **Article 18:**

This international instrument may be modified and amended by the written consent of both Parties at any time. Modifications and amendments shall enter into force in accordance with the preceding paragraph (Article 17).

In witness whereof, the undersigned representatives of the Parties, duly authorized by their respective governments, have signed this agreement.

Done in two originals of the same tenor, in Spanish, French and English languages, being equally authentic. In case of divergence of interpretation, the French and Spanish text shall prevail.





For the Government of the French  
Speaking Community of Belgium:

**Alda GREOLI.**  
Vice – Chair.  
Minister of Culture and  
Childhood.

**Rudy DEMOTTE.**  
Chair Minister.

*Brussels*....., this *16* day of *may*  
....., 2018.



For the Government of Oriental  
Republic of Uruguay:

**Maria Julia MUÑOZ.**  
Minister of Education and  
Culture.

Montevideo, this *20* day of  
february, 2018.

## **APPENDIX 1 – ENFORCEMENT PROCEDURES**

### **1) Provisional approval**

The producers of each of both Parties should, to be granted access to this agreement, append to their request of access granting, at the latest 30 days before the beginning of the shootings, address to the competent authorities, a file including:

- a document concerning the acquisition of the author's rights for the exploitation of the film;
- a synopsis providing accurate information on the nature of the topic of the film work;
- a list of the estimate technical crew and artistic cast;
- the provisional work plan with the indication of the amount of weeks of shootings (studios and outside) and of the countries (or regions) in which these shootings will take place;
- estimate and detailed budget and financial plan, including charges and resources of each Party;
- the co-production contract(s);
- or any other document requested by the authorities to examine the technical and financial sides of the project.

b The competent authority of the Party with minority participation only grants its approval after reception of the advice of the competent authority of the Party with majority participation.

### **2) Final approval**

At the latest four months after the theatrical release on the territory of one of the Parties, the producers should address to their competent authorities a file including:

- an update of the provisional file;
- contracts or confirmations of commitment for director and cast and crew signed with each of concerned Party;
- promotion and broadcasting plans;
- beginning and ending credits.



## **APPENDIX 2 – RECAPITULATIVE TABLE OF SUBSIDIES AND FINANCING SOURCES IN THE FRENCH SPEAKING COMMUNITY OF BELGIUM**

| TITLE OF THE WORK | BUDGET<br>BELGIAN PART |
|-------------------|------------------------|
|                   |                        |

### Subsidies

#### Automatic financial support

- to production:
- to distribution:

#### Selective financial support to production:

- advance on receipt

#### Regional subsidies to production

#### Financing sources

#### Investment by television broadcasters

- in co-production
- as pre-sale

#### Investment by private companies through the Tax Shelter mechanism

#### Guaranteed Minimal Advance Theatres

#### Guaranteed Minimal Advance Video

#### Guaranteed Minimal Advance Abroad



### APPENDIX 3 – RECAPITULATIVE TABLE OF SUBSIDIES AND FINANCING SOURCES IN THE ORIENTAL REPUBLIC OF URUGUAY

| TITLE OF THE WORK | BUDGET<br>URUGUAYAN PART |
|-------------------|--------------------------|
|                   |                          |

#### National Subsidies

Development Fund (competitive)  
Production Fund (competitive)  
Minority Coproduction Fund(competitive)  
Icau- Ancine Protocol (Coproductions with Brasil) . Accept a third partie.  
(competitive)  
International insertion (automatic)  
Promotion of national cinema (competitive)  
  
Cultural Incentive Fund (Patronage) Domestic Companies  
  
Ibermedia Program. Iberoamerican coproduction agreement.

#### Tax benefits

VAT exemption for coproduction  
  
VAT "0" for production services

#### Regionals Subsidies

Montevideo Filma (production) (competitive)  
  
Montevideo Socio Audiovisual (postproduction).  
  
FONA – Audiovisual National Fund (competitive)



#### **APPENDIX 4 – LIST OF THE STATES WITH WHICH BELGIUM AND THE FRENCH COMMUNITY OF BELGIUM HAS CONCLUDED CO-PRODUCTION AGREEMENTS**

Belgium:

France  
Germany  
Italy  
Israel  
Tunisia  
Canada  
Switzerland

French speaking Community of Belgium:

Portugal  
Tunisia  
Morocco  
Italy  
France  
Switzerland  
China

Chile

The Netherlands

NB: The Belgian Party commits to inform the Uruguayan Party of new agreements possibly concluded.

## **APPENDIX 5 – LIST OF THE STATES WITH WHICH THE ORIENTAL REPUBLIC OF URUGUAY HAS CONCLUDED CO-PRODUCTION AGREEMENTS**

### **Bilateral agreements Uruguay:**

Argentina  
Canadá  
Italy

### **Multilateral Agreements**

Ibero American Agreement

### **Coproduction Protocols**

Brasil

NB: The Uruguayan Party commits to inform the Belgian Party of new agreements possibly concluded.

Colombia  
Croatia  
Chile  
Italy (Co-development)



**Dra. MARÍA JULIA MUÑOZ**  
**MINISTRA DE EDUCACIÓN Y CULTURA**