

No. 25562

**ISRAEL
and
ITALY**

**Agreement on film co-production. Signed at Jerusalem on
2 January 1985**

Authentic texts: Hebrew and Italian.

Registered by Israel on 24 December 1987.

**ISRAËL
et
ITALIE**

**Accord relatif à la coproduction cinématographique. Signé
à Jérusalem le 2 janvier 1985**

Textes authentiques : hébreu et italien.

Enregistré par Israël le 24 décembre 1987.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON FILM CO-PRODUCTION BETWEEN ISRAEL AND ITALY

The Government of the State of Israel and the Government of the Italian Republic, desiring to facilitate the joint production of films which, by their artistic and technical merit will contribute to the development of cultural and trade relations between the two countries and will be competitive both in their respective national territories and in those of other countries, have agreed as follows:

I. CO-PRODUCTION

Article 1. For the purposes of this Agreement, a co-produced film means a film at least 1,600 metres long in the case of a feature film and 290 metres in the case of a short film if it is of 35-mm width, or one of proportionate length if it is of any other width which is made by one or more Israeli producers in conjunction with one or more Italian producers, in accordance with the regulations set out in the subsequent articles of this Agreement, on the basis of a contract concluded between the co-producers and duly approved by the competent authorities of the respective countries; in the case of Israel, the Israeli Film Centre of the Ministry of Industry and Trade, and in the case of Italy, the Department of Entertainment of the Ministry of Tourism and Entertainment.

Article 2. Films co-produced by Israel and Italy shall be considered to be national films by the competent authorities of the two countries, provided that they are produced in accordance with the legislation in force in both countries.

They shall enjoy the privileges accorded to national films under the legal provisions which are in force or may be adopted in each co-producing country.

These privileges shall accrue solely to the production company of the country which grants them.

In order to qualify for benefits under this Agreement, the co-producers must meet all the requirements stipulated in their own national laws for entitlement to privileges established for the encouragement of the national film industry, as well as the requirements stipulated in the rules of procedure relating to this Agreement.

Co-produced films must also be made by companies with sound technical and financial organizations and with professional experience which has been recognized by the national authorities.

Article 3. Applications filed by the production companies with a view to receiving benefits under this Agreement must be completed in accordance with the rules of procedure referred to in article 15.

A proposal for the production of a film, including the scenario, shall be transmitted to the competent authorities of both countries.

¹ Came into force on 23 September 1987, the date of receipt of the last of the notifications by which the Contracting Parties informed each other of the completion of the required constitutional procedures, in accordance with article 17.

Article 4. The respective contributions to film productions by the producers of the two countries may vary from 30 to 70 per cent.

Thirty per cent of the amount invested by the minor co-producer must be used in the country of the minor co-producer.

Each co-producer shall be required in every instance to make not merely a financial contribution but also an artistic and technical contribution by employing a crew of nationals of his own country, subject to the provisions of article 5.

The artistic and technical contribution of a co-producer shall be in proper proportion, as judged by the competent authorities of the two countries, to his own financial contribution.

A director who is a national of one of the co-producing countries shall be employed for each co-produced film.

Article 5. Films shall be made with the participation of authors, technicians and actors who are Israeli or Italian nationals or have been resident in one of the two countries for at least three years before the beginning of shooting. Due account being taken of the requirements of the film, the participation of non-resident actors who are nationals of third countries may, with the agreement of the authorities of the two countries, be authorized.

The casting of foreign actors in roles requiring a certain ethnic type shall be permitted.

Article 6. Except as otherwise provided, films shall normally be shot in the territory of one of the Contracting Parties.

Interior locations shall be shot preferably, in the country of the major co-producer.

A negative and a positive print, or a negative and an internegative, shall be made of all co-produced films.

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

The minor co-producer shall, with the agreement of the major co-producer, be entitled to use the original negative.

The negative shall normally be developed in a laboratory of the major co-producing country and the copies intended for exhibition in that country shall also be made there.

The copies intended for exhibition in the minor co-producing country shall be made in a laboratory of that country.

Article 7. As far as possible, there shall be an overall balance in the creative contribution and in the contribution of technical facilities and equipment.

The authorities of the two countries shall ascertain annually that there is a balance in the transfers of funds resulting from the application of this Agreement; compensation for any imbalances may be made the following year.

Article 8. The distribution of receipts from markets shall in principle be in proportion to the financial contributions of the co-producers to film production costs and shall require the approval of the competent authorities of both countries.

Article 9. As a general rule, co-produced films shall be exported from the major co-producing country.

Article 10. The balance due on the minor contribution shall be paid to the major co-producer within the time period provided for in the respective national legislations, following delivery of all the material required for the preparation of the version of the film in the country of the minor co-producer.

Article 11. Consideration shall be given to having films of high artistic quality which require substantial financial investment co-produced by production companies of the two Contracting Parties in conjunction with companies of countries to which both parties are bound by co-production agreements.

Article 12. The names of the production companies and the designation “Israeli-Italian co-production” or “Italian-Israeli co-production” must appear as separate titles in the credits of co-produced films.

The films shall be entered in international festivals by the major co-producing country, except as otherwise agreed by the co-production companies, with the approval of the competent authorities of both countries.

Films co-produced on the basis of fifty per cent contributions shall be entered by the country of which the director is a national.

Article 13. All possible facilities shall be granted in the two countries for the movement and stay of the creative and technical staff employed in co-produced films within the meaning of this Agreement, as well as for the import and export of the equipment necessary for the production and exhibition of such films and for transfers of funds in payment for materials and services, in accordance with the relevant regulations in force between the two countries.

II. EXCHANGES

Article 14. Within the framework of the legislation in force, the sale, import, export and exhibition of films designated as national films shall not be subject to any restriction on the part of the two Parties.

Each Contracting Party shall facilitate in its own territory the distribution of films recognized as national films by the other country.

Transfers of receipts from the sale and exhibition of such films shall be effected as stipulated in the co-production contracts, in accordance with the regulations in force in each country.

III. GENERAL PROVISIONS

Article 15. The competent authorities of the two countries referred to in article 1 shall provide each other with technical and financial information relating to the co-production and exchange of films and, in general, information on cinematographic relations between the two countries.

The same authorities shall agree on the rules of procedure for the implementation of this Agreement.

Such rules shall be established through technical accords between those authorities.

Article 16. The Contracting Parties undertake to establish a Joint Commission presided over by the officials in charge of the film sector in each country, with the

assistance of experts and officials designated by the respective competent authorities, who shall be responsible for considering the conditions governing the application of this Agreement.

The Joint Commission shall also be responsible for proposing amendments to the rules of procedure for the implementation of the Agreement.

The Joint Commission may be convened on the initiative of one of either Contracting Party and shall meet alternately in Israel or in Italy.

Article 17. Each Contracting Party shall notify the other of the completion of the constitutional procedures required under its own internal legislation.

The Agreement shall enter into force on the date of receipt of the last such notification.

Article 18. This Agreement shall remain in force for two years from the date of entry into force and shall be automatically renewed for successive two-year periods, unless one of the two Contracting Parties denounces it by giving written notice at least three months prior to expiry.

DONE at Jerusalem on 9 Tevet 5745 (2 January 1985), in duplicate, in the Hebrew and Italian languages, both texts being equally authentic.

For the Israeli Government:

[YITZHAK SHAMIR]

For the Italian Government:

[LELIO LAGORIO]
