No. 12444

FRANCE and ISRAEL

Agreement on the co-production and exchange of films (with annex). Signed at Jerusalem on 28 April 1970

Authentic text: French.

Registered by France on 26 April 1973.

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Enregistré par la France le 26 avril 1973.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ ON THE CO-PRODUCTION AND EXCHANGE OF FILMS BETWEEN FRANCE AND ISRAEL

The Government of the French Republic and the Government of Israel, desiring to develop and expand co-operation between the film industries of the two countries, have resolved to encourage the co-production of films which, by virtue of their artistic merit and technical excellence, are likely to enhance the prestige of the two countries, and to develop the exchange of films between them; they have consequently agreed as follows:

I. CO-PRODUCTION

Article 1. Co-production films made under this Agreement shall be treated as films of national origin by the authorities of the two countries.

Such films shall be entitled to the full enjoyment of any benefits stemming from the provisions which are currently in force or may be established in the two countries.

The making of co-production films by the two countries shall be subject to approval by the competent authorities of the two countries after consultations between them: In France: the National Film Centre (Centre national de la cinématographie). In Israel: the Israeli Film Centre.

Article 2. In order to enjoy the benefits of co-production, films must be made by producers with a good technical and financial organization and possessing professional experience recognized by the competent authorities of their own country.

Article 3. Films shall be produced subject to the following conditions:

The contribution made to each film by the producer from each of the two countries may vary between 30 and 70 per cent and the minority contribution may not be less than 30 per cent of the cost of producing the film; the artistic and technical contributions of each country must be in the same proportion as the financial contributions; in any case, the artistic and technical contribution must include at least one technician, one actor in a leading role and one actor in a supporting role with the nationality of the country which makes the minority financial contribution.

In exceptional cases, the minority contribution may be reduced to 20 per cent with the agreement of the competent authorities of the two countries.

Article 4. Films shall be made by directors, technicians and artists who, in the case of the French Republic, are either nationals or privileged residents of France or, in the case of Israel, are either Israeli nationals or temporary residents.

¹ Came into force on 15 December 1972, i.e. 30 days after the last of the notifications (effected on 4 May 1971 and 15 November 1972) by which the two Governments informed each other of its approval, in accordance with article 16.

The participation of one or two performers who are not nationals of one of the countries bound by this Agreement may be allowed only in exceptional cases.

Article 5. An over-all balance must be achieved for all films co-produced each year, both in financial and artistic matters and in the use of the technical facilities of the two countries (studios and laboratories).

The Mixed Commission provided for in article 14 of this Agreement shall consider whether this balance has been respected and, if it has not, shall decide what measures are necessary to restore this balance.

Article 6. There shall be two negatives or one negative and one dupe made for each co-production film.

Each producer shall be the owner of a negative or a dupe. Where only one negative is made, each co-producer shall have free access to that negative.

Article 7. Receipts from the showing of co-production films in France shall accrue to French co-producer and those from the showing of the same films in Israel shall accrue to the Israeli co-producer.

Receipts from the showing of co-production films in countries other than France and Israel shall be divided in proportion to the total contribution of each of the co-producers.

Such division may take the form of either a sharing of receipts or a geographical division, having regard in the latter case to any difference in size between the markets of the two contries or a combination of the two; the division shall be subject to the approval of the authorities of the two countries.

The exportation of co-production films shall, in principle, be handled by the co-producer with the majority interest.

In cases where a co-production film is exported to a country where film imports are subject to a quota system, the film shall in principle be charged against the quota of the country which made the majority financial contribution.

In the case of films in which there is equal participation by the two countries, the film shall be charged against the quota of the country having the better export opportunities.

If one of the co-producing countries has the right of free entry for its films into the importing country, co-production films shall automatically benefit from this facility in the same way as national films.

Article 8. Credits, trailers and publicity material for co-production films must in principle state that the film is a Franco-Israeli co-production.

Unless otherwise decided by the competent authorities of the two countries, co-production films shall be presented at festivals by the country of the producer with the majority interest.

Article 9. The authorities of the two countries shall provide for the making of co-production films of international quality by France, Israel and those countries with which either Party has co-production agreements.

The conditions governing the making of such films shall be examined separately in each case.

Article 10. Every facility shall be afforded for the travel and accommodation of the artistic and technical personnel working on these films, as well as for

the importation and exportation of equipment needed for the making and showing of co-production films (film, technical equipment, costumes, sets, publicity material).

Article 11. Co-production applications must be submitted to the competent authorities of each of the two countries in accordance with the terms of the implementation procedure annexed to this Agreement.

A clause of the co-production contract must state that every authorization granted by the authorities of each of the two countries shall specify that it does not in any way commit these authorities as regards the public projection of co-production films.

In the same way, a clause of the contract must stipulate in what way accounts will be settled between the co-producers if the film is not authorized for showing in one of the two countries or in a third country.

II. EXCHANGE OF FILMS

Article 12. The sale, importation and exportation of film prints shall not be subject in either country to any limitation other than the legal provisions in force in each of the two countries.

Article 13. Israeli films shall be eligible in France for a refund of the release tax levied on the showing of the French version of the films in that country.

III. GENERAL PROVISIONS

Article 14. A Mixed Commission composed of officials and experts from the signatory countries shall consider and resolve the difficulties in the application of this Agreement and shall study possible modifications.

For such time as this Agreement remains in force, the Commission shall meet each year, alternately in France and Israel; it may also be convened at the request of either Contracting Party.

In the event of a change in either the laws or the regulations applicable to the film industry which is considered unfavourable by one of the Parties, the Mixed Commission shall meet within two months from the enactment of the changes.

If the Mixed Commission does not evolve a solution considered satisfactory by the two Parties, this Agreement shall be terminated *ipso facto*.

Article 15. Even after the date of its expiry, this Agreement shall remain valid with regard to the liquidation of receipts from co-production films made under the Agreement.

Article 16. The two Governments shall inform each other of their approval of this Agreement, which shall enter into force at the end of 30 days after the second such notification. The Agreement is concluded for a period of one year from the date of its entry into force; it shall be renewed by tacit agreement unless denounced by either Contracting Party three months before the date of its expiry.

DONE at Jerusalem on 28 April 1970.

For the Government of the French Republic:

[Signed]

FRANCIS HURE
Ambassador Extraordinary and Plenipotentiary
of the French Republic in Israel

For the Government of Israel:

[Signed]

AVIEZER CHELOUCHE
Ambassador Extraordinary and Plenipotentiary
Deputy General Director of the Ministry of Foreign Affairs

ANNEX

IMPLEMENTATION PROCEDURE

In order to benefit from the provisions of this Agreement, producers from either country must attach to the co-production application submitted (one month before the start of shooting) to the competent authorities of their country the following documentation:

- A shooting script;
- A document to show that copyright has been acquired;
- The co-production contract concluded between the co-producing firms;
- A cost estimate and a detailed finance plan;
- A list of the technical and artistic contributions to be made by the two countries;
- A production schedule.

The authorities of the country with the minority interest shall consider the co-production application only after receiving it from the authorities of the country with the majority interest.