

**AGREEMENT ON FILM CO-PRODUCTION BETWEEN THE GOVERNMENT  
OF THE ITALIAN REPUBLIC AND THE GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF CHINA**

THE GOVERNMENT OF THE ITALIAN REPUBLIC AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA (hereinafter referred to as "the parties") have, in order to promote their cultural exchanges and their film and television co-productions, in line with the national legislation and regulations in force in the two countries, through friendly negotiations, agreed as follows:

**ARTICLE 1**

A "co-production film" refers to a film that is co-financed and jointly produced by producers of the two countries in and out of the territories of the Italian Republic and the People's Republic of China. "Co-production films" include feature films, animation films, science films and documentaries (including TV films and digital films).

Each co-financed and jointly produced film undertaken under this Agreement shall be considered as national film by and in each of the two countries and is entitled to avail of all rights and benefits from the national legislation and regulations in force in the two countries.

**ARTICLE 2**

Co-production films must be approved by the competent Authorities of the two Governments. The competent Authority for the Government of the Italian Republic is the Ministry of Cultural Heritage and Activities - Department of Entertainment and Sport - General Management of the Cinema; the competent Authority for the Government for the People's Republic of China is the Film Bureau, State Administration of Radio, Film and Television.

As far as the People's Republic of China is concerned, formalities for approval are handled by China Film Co-production Corporation.

### ARTICLE 3

Producers and studios involved in film co-production between the two countries must have been registered as legal entity or, as far as the People's Republic of China is concerned, have been granted permit, and have good professional ability and strong financial backing.

### ARTICLE 4

Producers and studios of the two countries shall decide on the percentage of financial contribution of each party and co-production patterns accordingly through consultation and agreement. This percentage cannot be inferior to twenty (20) percent of the film cost.

### ARTICLE 5

The producers, writers, directors, leading actors and technicians involved in the co-production must be citizens of the Italian Republic (including nationals of member States of the European Union) or citizens of the People's Republic of China (including Hong Kong and Macao Special Administrative Regions), or permanent residents of either of the two parties. The proportion of the technical and artistic cast of each party shall be negotiated between the two producers in accordance with the script before the project is submitted to the competent Authorities of both parties for approval.

Even without technical and artistic contributions, only financial co-productions are allowed.

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### ARTICLE 6

Location shooting in a country not participating in the co-production may be approved if the script or the action so requires and if technicians from one or both parties take part in the shooting.

## ARTICLE 7

Each party shall secure the other party the temporary entry visas for personnel and customs clearance for equipment and film stocks needed in the co-production.

## ARTICLE 8

The co-production crews from both parties shall abide by the Constitution, laws and regulations, and respect the ethnic cultures, religious beliefs and local customs and conventions of the country where location shooting takes place.

## ARTICLE 9

The laboratory work of co-production films shall be done in the country where location shooting takes place. Unless it needs to be done in the other party's country or, for particular reasons, in a country not participating in the co-production, it must be approved by the competent Authorities of both countries.

## ARTICLE 10

After it is completed, a co-financed and jointly produced film must be examined and approved by the competent Authorities of both parties. The film can be released and shown in and out of each country only when the release permit is granted by the competent Authority.

## ARTICLE 11

A co-financed and jointly produced film shall be identified in its credits as a co-production between the two parties. Such identification shall appear in a separate credit title at any screenings, festivals and events, and in all advertising and promotional materials.

## ARTICLE 12

The co-producers jointly own the copyrights of each co-financed and jointly produced film. The sharing of territories and receipts between the co-producers shall be negotiated in accordance with their respective financial contributions.

## ARTICLE 13

The co-producers shall agree and work together to make the co-financed and jointly produced film access to international film festivals, and this must be reported to the competent Authorities of the Chinese Government for file 30 days before the event starts.

## ARTICLE 14

The handling organization, designated by the competent Authorities of the Government of the People's Republic of China and, for the Government of the Italian Republic, the Ministry of Cultural Heritage and Activities - Department of Entertainment and Sport - General Management of the Cinema, shall examine the implementation of this Agreement and strive to resolve any problems in its implementation.

## ARTICLE 15

To expand the film co-production between the two countries, the competent Authorities of both parties encourage and support their own producers and studios to make films in the territory of the other party, and strive to ensure any possible assistance for them.

## ARTICLE 16

The handling organization for China and the General Management of the Cinema for Italy shall jointly establish, through a subsequent exchange of notes, *The Rules of Procedures* for co-productions taking into account the laws and regulations in force in the Italian Republic and the People's Republic of China.

## ARTICLE 17

This Agreement shall enter into force on the date of receipt of the second of the two notifications with which each of the contracting Parties shall notify the other of the completion of any domestic procedure for giving effect to this Agreement and it shall be valid for a period of five years from the date of its validity. A tacit renewal of this Agreement for a period of three years shall take place unless either or both Parties give written notice of termination six months before the expiry date.

Co-productions which have been approved by the competent Authorities of both parties and which are in progress at the time of notice of termination of

this Agreement by either party shall continue to benefit fully until completion from the provisions of this Agreement.

After expiry or termination of this Agreement, its terms shall continue to apply to the division of revenues from completed co-productions.

ARTICLE 18

This Agreement is signed at Beijing on December 4<sup>th</sup>, 2004 in two originals, each in the Italian, English and Chinese languages, all texts being equally authentic. In case of divergence on interpretation, the English text shall prevail.

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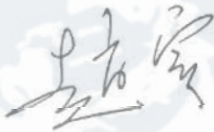
SIGNATURE:



(Giuliano Urbani)

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SIGNATURE:



(Zhao Shi)

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