

New Delhi, 29 October 2020

The Embassy of Italy in New Delhi presents its compliments to the Ministry of External Affairs of the Republic of India and - with regard to Article 15 of the Audio Visual Co-Production Agreement between the Government of the Italian Republic and the Government of the Republic of India done at Rome on May 13 2005 – on behalf of the Italian Government has the honour to propose to adopt the enclosed Rules of Procedure for Co-productions negotiated by the Italian Ministry for Cultural Heritage and Activities and Tourism and the Indian Ministry of Information & Broadcasting.

To this end, on behalf of the Italian Government, the Embassy of Italy has the honour to propose that the present Note Verbale and its enclosure, and the Note Verbale through which the Government of the Republic of India communicates its approval, constitute an Agreement between the Government of the Italian Republic and the Government of the Republic of India, which will enter into force on the date of the Note Verbale of the Government of India.

The Embassy of Italy in New Delhi avails itself of this opportunity to renew to the Mir of External Affairs of the Republic of India the assurances of its highest consideration

Ministry of External Affairs Europe West South Block New Delhi

## **RULES OF PROCEDURE**

For approval of co-production status under art. 15 of the Audio Visual Coproduction Agreement between the Government of the Italian Republic and the Republic of India done at Rome on May 13 2005

- 1. Applications for qualifications of a film for co-production benefits under this Agreement must be filed, as far as possible, simultaneously to both competent Authorities, at least 30 (thirty) days before shooting of the film begins.
- 2. The competent Authority of each Party shall communicate its proposal to the other competent Authority after submission of documentation as described in para 3 below. It is for the competent Authority of the producer having a major contribution to communicate its decision to the competent Authority of the producer having a minor contribution. Subsequently the competent Authority of the minority producer shall await the proposal by the competent Authority of the majority producer.

Both competent Authorities shall express their decision on the submitted project to each other.

- 3. Documentation submitted in support of an application shall consist of the followings items, drafted in Italian in the case of Italy, Hindi and /or in English in the case of India:
  - 3.1 the script and synopsis;
  - 3.2 evidence of the lawful acquisition of the copyright necessary to a given coproduction;
  - a copy of the co-production contract signed by the two co-producers.

    The contract shall include:
    - 3.3 (a) the title of the co-production, even if provisional;
    - 3.3 (b) the name of the author or authors of the script;

- 3.3 (c) the name of the director (a substitution clause is permitted to provide for his/her replacement if necessary);
- 3.3 (d) the amount of the budget of the film;
- 3.3 (e) the amount of the financial contribution of the co-producers;
- **3.3** (f) a clause establishing the sharing of all revenues, markets, media or a combination of these;
- 3.3 (g) the co-production contract shall clearly indicate the commitment of co-producers about their participation in any over or under expenditure as to the cost of the film, proportional to their respective contribution, ensuring the minimum provided for in Article 3 (i) of the Agreement; additional costs as regards the original budget will be approved by all co-producers in advance;
- 3.3 (h) a clause stating that the competent Authorities have to be informed if the percentage of the contribution of the co-producers changes subsequent to the approval of the competent Authorities. In any case, the contribution may not be less than the minimum contribution agreed in Article 3 (i) of the Agreement;
- **3.3 (i)** a clause stating that the laws of the respective country shall be observed by the co-producers before exhibition of co-production and at all times in the country;
- **3.3 (j)** a clause stating that the consent of the competent Authorities of two Countries to the co-production does not constitute a commitment for the same Authorities to grant a certificate to public exhibition of the co-production;
- 3.3 (k) a clause prescribing the measures to be taken where:
  - (i) after full consideration of the documentation submitted, the competent Authorities in either country refuse to grant the benefits applied for;
  - (ii) the competent Authorities reserve the right to refuse exhibition of the co-production in their respective countries or its export to a third country;
- 3.3 (1) a clause aiming and establishing measures to be implemented if one of the co-producers fails to fulfill his commitments;

- 3.3 (m) the period when shooting is to begin;
- 3.3 (n) a clause stipulating that the majority co-producer shall take out an insurance policy covering at least "all production risks" and "all original material production risks"; and
- **3.3** (o) a clause providing for the sharing of the ownership of copyright on a basis that it is proportionate to the respective contributions of the co-producers.
- 3.4 the distribution contract, where it has already been signed, or a draft if it has yet to be concluded;
- a list of the creative and technical personnel indicating their nationalities and, in the case of performers, the roles they are to play;
- 3.6 the production schedule;
- 3.7 the detailed budget identifying the expenses to be incurred by each country; and
- 3.8 all contracts and other relevant existing financial documentation for all participants in the financial structure.
- 4. The competent Authorities can demand any further documents and all other additional information deemed necessary.
- 5. In principle, the final shooting script (including the dialogue) should be submitted to the competent Authorities prior to the commencement of shooting.
- 6. Amendments, including the replacement of a co-producer, may be made in the original contract but they must be submitted for approval by both the competent Authorities of both the Countries before the co-production is finished.

  The replacement of a co-producer may be allowed only in exceptional cases and for reasons satisfactory to both the competent Authorities.
- 7. The competent Authorities will keep each other informed of their respective decisions.

8. Application for approval of co-production status may be sent to the competent Authorities at the following address along with all required documents as detailed at Para 3:

## In India

Desk Officer (FI) Ministry of Information & Broadcasting, Room No. 107, 'A' wing, Shastri Bhawan, New Delhi, India email: usfi-moib@nic.in

## In Italy

Ministero per i Beni e le Attività Culturali e per il Turismo Direzione Generale Cinema e Audiovisivo Serv. II
Piazza Santa Croce in Gerusalemme, 9/a
00185 Rome, Italy
email: dg-c@beniculturali.it

The processing fee, if any, which may be determined by the competent Authority from time to time, shall be submitted along with the application.