

**AGREEMENT  
ON FILM CO-PRODUCTION  
BETWEEN  
THE STATE OF ISRAEL  
AND  
THE ARGENTINE REPUBLIC**

The State of Israel and the Argentine Republic ,hereinafter referred to as “the Parties”;

Aware of the fact that mutual cooperation may contribute to the development of cinematographic production and further promote the development of cultural and technological relations between both countries;

Considering that co-production may benefit the film industries of their countries and contribute to the economic growth of the industries of distribution and production of film, television, video and new media works in Israel and Argentina;

In keeping with their mutual decision to establish a framework to foster any production of audiovisual media, especially the co-production of film works;

Recalling the Cultural Exchange Agreement between the Argentine Republic and the State of Israel, signed on 23 March 1957 and, specially, Article 1 thereof;

Have agreed as follows:

**Article 1**

For the purposes of this Agreement:

- (1) **“co-production”** or **“co-produced film”** means a cinematographic work, with or without sound, regardless of its duration or genre, including fiction, animated and documentary productions, made by an Israeli co-producer and an Argentine co-producer, produced in any format, for distribution in any place or through any means, including cinemas, television, the Internet, videocassette, CD, CD-ROM or any other similar means, including future formats of film production and distribution;

- (2) **“Israeli co-producer”** means the Israeli individual or entity entering into the agreement required in order to make the co-produced film;
- (3) **“Argentine co-producer”** means the Argentine person or entity entering into the agreement required to make the co-produced film;
- (4) **“Competent Authorities”** means the Competent Authorities responsible for the implementation of this Agreement;
  - In Israel: the Ministry of Culture and Sport or its designee;
  - In Argentina: the National Institute of Cinema and Audio-Visual Arts (INCAA).

## Article 2

- (1) Any films to be co-produced by both countries in accordance with this Agreement shall be approved by the competent authorities.
- (2) Any co-production made under this Agreement shall be considered by the Competent Authorities a national film, subject to the domestic law of each Party respectively. These co-productions shall enjoy the benefits granted to the film production industry in accordance with the domestic law of each Party or the legislation to be enacted by each Party. These benefits shall only apply to the co-producer of the country that grants them.
- (3) Failure by the co-producer of a Party to comply with the conditions under which that Party it has approved a co-production, or the substantial non-performance by a co-producer of the Party to comply with the co-production agreement shall result in the revocation of the co-production status and of the rights and related benefits of such Party.

## Article 3

- (1) In order to qualify for the benefits of co-production, co-producers shall furnish proof that they have adequate technical organization, adequate financial support, and recognized prestige and professional competence to bring the production to a successful conclusion.
- (2) A project in which the co-producers are linked by joint control or management shall not be approved, except to the extent that such association has been established specifically for the purpose of the co-production.

#### **Article 4**

- (1) Co-produced films shall be made in the countries of the participating co-producers, processed, dubbed and subtitled until the making of the first copy to be released. Nevertheless, where so required by the scenario or plot of the film, the Competent Authorities may authorize a filming location, outdoors or indoors, in a non-co-producing country. Likewise, where no suitable processing, dubbing or subtitling services are available in a co-producing country, the Competent Authorities may allow such services to be provided by a third country supplier.
- (2) Producers, authors, scriptwriters, performers, directors, professionals and technicians participating in co-productions should be citizens or permanent residents of the State of Israel or the Argentine Republic in accordance with the respective legislation of the Parties.
- (3) Where so required by the co-production, the participation of professionals who fail to comply with the conditions provided for in paragraph (2) shall be permitted under exceptional circumstances and shall be subject to approval by the Competent Authorities.
- (4) . The co-production may use a language other than those authorized, in accordance with the legislation of the Parties if required by the script.

#### **Article 5**

- (1) The respective contributions of the producers from both countries may vary from twenty (20) to eighty (80) per cent for each co-produced film. Also, co-producers shall make an effective creative and technical contribution, in proportion to their financial investment in the co-produced film. Such creative and technical contributions may consist of a combined share of authors, performers, production and technical staff, laboratories and facilities.

Any exception to the principles mentioned above shall be approved by the Competent Authorities who, in special cases, may authorize the respective contributions of the producers from both countries to vary between ten (10) and ninety (90) per cent.

- (2) If the Israeli co-producer or the Argentine co-producer consists of several production companies, the contribution of each company may

not be less than five (5) per cent of the total budget of the co-produced film.

- (3) If a producer from a third country is authorized to participate in the co-production, their contribution may not be less than ten (10) per cent. If the co-producer from a third country consists of several production companies, the contribution of each company may not be less than five (5) per cent of the total budget of the co-produced film.

### **Article 6**

- (1) The Parties shall promote co-productions which comply with the generally accepted international principles.
- (2) The conditions for approval of co-produced films shall be mutually agreed by the Competent Authorities, on a case-by-case basis, in accordance with the provisions of this Agreement and the respective domestic legislation of the Parties.

### **Article 7**

- (1) Co-producers shall ensure that intellectual property rights over a co-production not held by them shall be available to them through adequate license agreements in order to fulfill the objectives of this Agreement, in accordance with paragraph 3 a) of the Annex.
- (2) The allocation of intellectual property rights over a co-produced film, including ownership and license, shall be established in the co-production agreement.
- (3) Each co-producer shall have free access to the original co-production material and the right to duplicate it or print it, but no right to any use or assignment of intellectual property rights over such material, except as agreed by the co-producers in the co-production agreement.
- (4) Each co-producer shall be co-title holder of the physical copy of the original negative or other recording means of the original co-production, except for any intellectual property right incorporated into such physical copy, except as established by the co-producers in the co-production agreement.

- (5) In cases where the co-production is made on a film negative, it shall be developed in a laboratory mutually agreed upon by the co-producers and deposited there under an agreed name.

### **Article 8**

The Parties shall facilitate the temporary entry and re-exportation of any necessary film equipment needed to make co-produced films in accordance with this Agreement, and under their respective domestic legislations. Each Party shall, in accordance with its national legislation, make its best efforts to authorize the creative and technical staff of the other Party to enter and reside in its territory in order to participate in the making of co-produced films.

### **Article 9**

The approval of a proposed co-production by the Competent Authorities does not imply any permission or authorization to exhibit or distribute such film.

### **Article 10**

- (1) If a co-produced film is marketed in a country with a quota system applicable to both Parties, it shall be included in the quota of the country of the majority co-producer. If the contributions of the co-producers are identical, the co-production shall be included in the quota of the country of which the co-production director is a citizen or permanent resident.
- (2) If a co-produced film is marketed in a country with a quota system applicable to one of the Parties, the co-produced film shall be marketed by the Party in respect of which no quotas exist.
- (3) If a co-produced film is marketed in a country with a quota system applicable to one or both Parties, the Competent Authorities may make arrangements regarding the quota system departing from the provisions in paragraphs 1 and 2 of this Article.
- (4) In all matters regarding the marketing or export of a co-produced film, each Party shall give the co-produced film the same condition and treatment as a national production, subject to its respective domestic legislation.

### **Article 11**

- (1) All co-produced films shall be identified as Israeli-Argentine or Argentine-Israeli co-productions.
- (2) Such identification shall appear in separate credits, in all commercial advertisements and promotion material, whenever the co-produced films are exhibited to the public.

### **Article 12**

The Competent Authorities shall act in accordance with the Rules of Procedure included in the Annex hereto, which is an integral part of this Agreement, although, under certain circumstances, they may jointly authorize the co-producers to act in accordance with the *ad hoc* rules that the Competent Authorities may adopt.

### **Article 13**

- (1) The Parties may establish a Joint Committee formed by an equal number of representatives for both countries. The Joint Committee shall meet, whenever necessary, in Jerusalem and Argentina on an alternate basis.
- (2) The Joint Committee, inter alia, shall:
  - Review the implementation of this Agreement.
  - Determine if an overall balance has been achieved in co-production, considering the number of co-productions, the percentage, the total amount of investments and of artistic and technical contributions. If such balance has not been achieved, the Commission shall determine the necessary measures to achieve it.
  - Recommend measures to improve cooperation generally in film co-productions between Israeli and Argentine producers.
  - Recommend modifications to this Agreement to the Competent Authorities.
- (3) The Parties shall, through diplomatic channels, appoint the members of the Joint Committee.

## **Article 14**

This Agreement may be modified in writing upon the mutual consent of the Parties. Any modification to this Agreement or to the attached Annex shall follow the same procedures of entry into force as those provided for in Article 6.

## **Article 15**

Any divergence which may arise between the Parties from the implementation of this Agreement shall be resolved through diplomatic channels.

## **Article 16**

- (1) This Agreement shall enter into force on the date of the second Diplomatic Note through which the Parties notify each other that their domestic legal procedures for entry into force have been fulfilled.
- (2) This Agreement shall remain in force for a period of five (5) years and shall be automatically renewed for additional periods of five (5) years, unless terminated by either Party, through a prior written notification informing the other Party of its intention to terminate it. The notification shall be made at least six (6) months in advance.
- (3) Co-productions authorized by the Competent Authorities and under way at the time of notification of termination of this Agreement by either Party shall continue in order to fully benefit from the provisions of this Agreement until completion

Signed in Jerusalem, , on \_\_\_\_\_, 2014, corresponding to \_\_\_\_\_ of \_\_\_\_\_5774\_, in two originals in the Spanish, Hebrew and English languages, all texts being equally authentic. In case of divergence, the English text shall prevail.

\_\_\_\_\_  
For the State of Israel

\_\_\_\_\_  
For the Argentine Republic

|

**ANNEX**  
**RULES OF PROCEDURE**

1. Requests for co-production status shall be submitted simultaneously to the Competent Authorities of both Parties, at least sixty (60) days before the shooting or main animation of the film begins.
2. The Competent Authorities shall notify each other of their decision on the co-production request within thirty (30) days following the date of delivery of all the complete documentation listed in the Annex to this Agreement.
3. Requests shall be accompanied by the following documents, written in the Hebrew **and** English languages for the State of Israel and in the Spanish and English languages for the Argentine Republic:
  - a. Evidence of the license agreements regarding any intellectual property rights including, especially copyrights and related rights (“related rights” include, inter alia, moral rights, artistic rights, phonographic rights of the producers and dissemination rights) incorporated into a co-production or arising from it, with the appropriate scope to fulfill the objectives of the co-production agreement, including authorization agreements for filming in public, distribution, transmission, availability on the Internet or other means and for sale or rent of physical or electronic copies of the co-production within the territories of the countries of origin of the Parties as well as in third countries, including the authorization of copyrights and related rights in respect of any literary, dramatic, musical or artistic work adapted by the requesting party for the purpose of the co-production
  - b. The co-production agreement signed, subject to the approval of the Competent Authorities.
4. The co-production agreement shall contain provisions in respect of the following:
  - a. The name of the film, even if provisional.
  - b. The name of the author or person responsible for adapting the plot if the work is taken from a literary source.
  - c. The name of the director (a safeguard clause is permitted to provide for the director’s replacement if necessary).

- d. A synopsis of the film.
  - e. The film budget.
  - f. The film funding plan.
  - g. The amount of the financial contributions of the co-producers.
  - h. The financial commitments undertaken by each producer in relation to the percentage share of the costs of development, preparation, production and postproduction until the creation of a response copy.
  - i. The distribution of income and revenue, including market allocation or centralization .
  - j. The respective participation of the co-producers in any costs over the budget or in any benefits from savings in production costs.
  - k. The allocation of intellectual property rights in a co-produced film, including ownership and licence.
  - l. A clause of the contract shall acknowledge that the approval of the film, entitling it to benefits under the Agreement, will not oblige the Competent Authorities of either Party to allow the exhibition of the film in public. Moreover, the Agreement shall establish the conditions of the financial arrangement between the co-producers in case the Competent Authorities of either Party refuse to authorize the public screening of the film in either country or in third countries.
  - m. Failure to comply with the co-production agreement.
  - n. A clause requiring the majority co-producer to contract an insurance policy to cover all production risks.
  - o. The approximate date when filming will begin.
  - p. The list of the necessary team (technical, artistic or other) and staff, including the nationality of the members of the staff and the roles of the performers.
  - q. The production schedule.
  - r. A distribution contract, if one already exists.
  - s. The way in which co-production shall enter international festivals.
  - t. Other provisions required by the Competent Authorities.
5. The co-producers shall provide any other documentation and information that the Competent Authorities consider necessary to process the co-production request or supervise the co-production or the execution of the co-production agreement.

6. Substantial provisions of the original co-production agreement may be modified with the prior authorization of the Competent Authorities.
7. Replacement of a co-producer will be subject to the prior authorization of the Competent Authorities.
8. The participation of a producer from a third country in the co-production is subject to the prior authorization of the Competent Authorities.