CHAPTER 18 FILM AND TELEVISION CO-PRODUCTION

Article 1 Definitions

For the purposes of this Chapter:

competent authority means the authority designated as such by each Party in the Implementing Arrangement on Film and Television Co-Production concluded in accordance with Article 14 of this Chapter;

co-producer means one or more natural persons of a Party involved in the making of a co-production film, or, in relation to non-Party co-productions in accordance with Article 5 of this Chapter, natural persons of the non-Party involved in the making of a co-production film;

co-production film means a film made by one or more co-producers of one Party in co-operation with one or more co-producers of the other Party under a project approved jointly by the competent authorities, and includes a film to which Article 5 of this Chapter applies; and

film means an aggregate of images, or of images and sounds, embodied in any material, and includes television and video recordings, animations and digital format productions.

Recognition as a Domestic Film and Entitlement to Benefits

- A co-production film shall be fully entitled to all the benefits which are or may be accorded to domestic films by each of the Parties under their respective laws.
- Any benefits which may be granted within either Party in relation to a
 co-production film shall accrue to the co-producer who is permitted to
 claim those benefits in accordance with the law of that Party, subject to
 any other relevant international obligations.

Article 3

Approval of Projects

- Co-production films shall require, prior to the commencement of shooting, joint approval of the competent authorities. Approvals shall be in writing and shall specify the conditions upon which approval is granted. None of the co-producers shall be linked by common management, ownership or control, save to the extent that it is inherent in the making of the co-production film itself.
- 2. In considering proposals for the making of a co-production film, competent authorities, acting jointly and with due regard for their respective policies and guidelines, shall apply the rules set out in the Implementing Arrangement on Film and Television Co-Production concluded in accordance with Article 14 of this Chapter.

Contributions

- 1. For each co-production film:
 - (a) the performing, technical, craft and creative participation of the coproducers; and
 - (b) production expenditure in each of the co-producer's countries,
 - shall be in reasonable proportion to their respective financial contributions.
- Both the financial contribution, and the performing, technical, craft and creative participation of each co-producer shall account for at least 20% (twenty per cent) of the total effort in making the co-production film.
- 3. Notwithstanding the contribution rules set out in paragraphs 1 and 2 of this Article, in exceptional cases, competent authorities may approve jointly co-production projects where:
 - (a) the contribution of one of the co-producers is limited to the provision of finance only, in which case approvals shall be limited to projects where the proposed finance-only contribution is no greater than 50% (fifty per cent) of the total costs of the film; and
 - (b) the competent authorities consider that the project would further the objectives of this Agreement and should be approved accordingly.

Co-Productions Involving Non-Parties

- 1. Where either Party maintains a film co-production agreement with a non-Party, the competent authorities may approve a project for a co-production film under this Chapter that is to be made in conjunction with a co-producer from that non-Party.
- 2. Approvals under this Article shall be limited to proposals in which the contribution of the non-Party co-producer is no greater than the lesser of the individual contributions of the Parties' co-producers.

Article 6

Participation

- 1. Persons participating in a co-production film shall be natural persons of the Parties and, where there is a third non-Party co-producer, natural persons of the non-Party.
- 2. Subject to the approval of the competent authorities:
 - (a) where script or financing dictates, restricted numbers of performers from other countries may be engaged; and
 - (b) in exceptional circumstances, restricted numbers of technical personnel from other countries may be engaged.

Making up to First-Release Print

- 1. Co-production films shall be made and processed up to the manufacture of the first-release print in either or both of the Parties and/or, where there is a third non-Party co-producer, in that non-Party.
- 2. At least 90% (ninety per cent) of the footage included in a coproduction film shall be specially shot or created for the film unless otherwise approved by the competent authorities.

Article 8

Location Filming

- 1. Competent authorities may approve location filming in places, countries, or locations other than those of the participating coproducers.
- 2. Notwithstanding Article 6 of this Chapter, where location filming is approved in accordance with this Article, persons of the country in which location filming takes place may be employed as crowd artists, in small roles, or as additional employees whose services are necessary for the location work to be undertaken.

Soundtrack

- The original soundtrack of each co-production film shall be made in a commonly used or indigenous language of the Parties, including English, Mandarin, Māori, or in any combination of those permitted languages.
- 2. Narration, dubbing or subtitling in any other commonly used language or dialect of the Parties shall be permitted.
- 3. Post-release print dubbing into any other language may be carried out in non-Parties.
- 4. The soundtrack may contain sections of dialogue in any language in so far as is required by the script.

Article 10

Acknowledgments and Credits

A co-production film and the promotional material associated with it shall include either a credit title indicating that the film is an official co-production of New Zealand and Chinese Taipei film authorities or, where relevant, a credit which reflects the participation of the Parties and the country of a third non-Party co-producer.

Immigration Facilitation

Subject to meeting normal immigration requirements, each of the Parties shall permit natural persons of the Parties and co-producing non-Parties to enter and remain in their jurisdiction for the purpose of making or promoting a co-production film.

Article 12

Import of Equipment

Each Party shall provide, in accordance with its respective legislation, temporary admission, free of import duties and taxes, of technical equipment for the making of co-production films.

Article 13

Film and Television Mixed Commission

- There shall be a Film and Television Mixed Commission composed of representatives of the Parties, including the competent authorities and industry representatives.
- 2. The role of the Film and Television Mixed Commission shall be to supervise and review the operation of this Chapter and to make any proposals considered necessary to improve its effectiveness.
- The Film and Television Mixed Commission shall be convened, whether physically or by teleconference or otherwise, at the request of either of the Parties within six months of such a request.

Implementing Arrangement

- 1. The Implementing Arrangement on Film and Television Co-Production shall be read in conjunction with the provisions of this Chapter.
- 2. The Implementing Arrangement on Film and Television Co-Production may be modified or amended by mutual consent of the competent authorities following consultations with the Film and Television Mixed Commission. Modification or amendment to the Implementing Arrangement on Film and Television Co-Production shall be consistent with the rights and obligations of the Parties under this Chapter and shall not constitute amendments to this Agreement under Article 2 (Amendments) of Chapter 25 (Final Provisions).
- Modifications or amendments to the Implementing Arrangement on Film and Television Co-Production shall be confirmed by the competent authorities in writing and shall take effect on the date they specify.

Article 15

Non-Application of Dispute Settlement

Neither Party shall have recourse to Chapter 21 (Dispute Settlement) in respect of any issue arising from or relating to this Chapter.

Implementing Arrangement On Film And Television Co-Production to the Agreement between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu on Economic Cooperation

- 1. The competent authorities for Chapter 18 (Film and Television Co-Production) of the Agreement Between New Zealand and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu on Economic Cooperation are:
 - (a) in relation to New Zealand: the New Zealand Film Commission (NZFC); and
 - (b) in relation to Chinese Taipei: Bureau of Audiovisual and Music Industry Development, Ministry of Culture (BAMID).
- 2. The approval process under Article 3 of Chapter 18 (Film and Television Co-Production) will comprise two stages: provisional approval upon application, and final approval upon completion of the film and prior to distribution.
- 3. There will be a contract between the co-producers governing the making of a coproduction film which will:
 - (a) provide that a co-producer may not assign or dispose of benefits referred to in Article 4 of Chapter 18 (Film and Television Co-Production), except to or for the benefit of a natural person of that Party;

(b)

- (i) assign, as between the co-producers, ownership of all intellectual property rights arising from the making of the co-production; and
- (ii) set out the arrangements between the co-producers regarding the exercise of rights of access to and use of copyright works created in the making of the co-production film;
- (c) set out the financial liability of each co-producer for costs incurred:

- (i) in preparing a co-production project which is refused approval as a coproduction film by the competent authorities;
- (ii) in making a film which has been given such approval and fails to comply with the conditions of such approval; and
- (iii) in making a co-production film, permission for whose public exhibition is withheld in any of the countries of the co-producers;
- (d) set out the arrangements regarding the division between the co-producers of the receipts from the exploitation of the co-production film including those from export markets;
- (e) specify dates by which the respective contributions of the co-producers to the production of the film shall have been completed;
- (f) specify whether the co-production film shall be shown in film festivals as a domestic film of the majority co-producer or as a domestic film of all the coproducers; and
- (g) specify any other conditions of approval that the competent authorities jointly agree.