

2. Co-productions undertaken under the present Agreement must be approved by the following authorities, referred to hereinafter as the "competent authorities":

in Canada:

the Minister of Canadian Heritage; and

in Cuba:

Instituto Cubano del Arte e Industria Cinematograficos.

3. Every co-production proposed under this Agreement shall be produced and distributed in accordance with the national legislation and regulations in force in Canada and in Cuba.
4. Every co-production produced under this Agreement shall be considered to be a national production for all purposes by and in each of the two countries. Accordingly, each such co-production shall be fully entitled to take advantage of all benefits currently available to the film and video industries or those that may hereafter be decreed in each country. These benefits do, however, accrue solely to the producer of the country which grants them.
5. The competent authorities of the two countries shall consult with one another to ensure that all projects co-produced under this Agreement comply with the provisions of this Agreement.

ARTICLE II

The benefits of the provisions of this Agreement apply only to co-productions undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.