

**AUDIOVISUAL CO-PRODUCTION AGREEMENT**

**BETWEEN**

**THE GOVERNMENT OF CANADA**

**AND**

**THE GOVERNMENT OF THE REPUBLIC OF ICELAND**

**THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE REPUBLIC OF ICELAND** (hereinafter referred to as the "Parties"),

**CONSIDERING** that it is desirable to establish a framework for audiovisual relations and particularly for film, television and video co-productions;

**CONSCIOUS** that quality co-productions can contribute to the further expansion of the film, television and video production and distribution industries of both countries as well as to the development of their cultural and economic exchanges;

**CONVINCED** that these exchanges will contribute to the enhancement of relations between the two countries;

**HAVE AGREED** as follows:

**ARTICLE 1**

1. For the purpose of this Agreement, an "audiovisual co-production" is a project, irrespective of length, including animation and documentary productions, produced either on film, videotape or videodisc, or in any other format hitherto unknown, for exploitation in theatres, on television, videocassette, videodisc or by any other form of distribution. New forms of audiovisual production and distribution will be included in the present agreement by an exchange of notes.
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 Iceland:	the Minister of Education
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 Iceland;