AUDIO-VISUAL CO-PRODUCTION AGREEMENT

BETWEEN

THE GOVERNMENT OF CANADA

AND

THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES (hereinafter referred to as the "Parties");

CONSIDERING that it is desirable to establish a framework for audio-visual 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 I

1. For the purpose of this Agreement, an "audio-visual 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 audio-visual production and distribution will be included in the present Agreement by exchange of diplomatic 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 Department of Canadian Heritage; and In the Republic of the Philippines : the Department of Foreign Affairs

3. Every co-production proposed under this Agreement shall be produced, distributed and protected in accordance with the national legislation and regulations in force in Canada and in the Republic of the Philippines;

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, radio, television, and video and multimedia 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.