

LEGAL ALERT

COUNCIL OF EUROPE CONVENTION ON CINEMATOGRAPHIC CO-PRODUCTION (REVISED)

New legislation

[Presidential Decree no. 77/2023](#) was published in the *Diário da República* (Bulletin of the Portuguese Republic) on August 31st, with the purpose of ratifying the [Council of Europe Convention on Cinematographic Co-production \(revised\)](#), which was opened for signature in Rotterdam on January 30th, 2017.

The Presidential Decree was published following [Parliament Resolution no.105/2023](#), which approved the Convention.

What is the Council of Europe Convention on Cinematographic Co-production?

The Council of Europe Convention on Cinematographic Coproduction is an international treaty that aims to promote and facilitate cinematographic coproduction between European countries. The Convention establishes guidelines and regulations governing film coproduction between the signatory countries.

In order to encourage cooperation and define rules that are adapted to film co-productions, the Member-States of the Council of Europe, including Portugal, as well as other states party to the European Cultural Convention, ratified the Council of Europe Convention on Cinematographic Co-Production (revised), which replaced the European Convention on Cinematographic Co-Production of October 2nd, 1992.

The Convention applies to: (i) co-productions involving at least three co-producers established in the territory of three different Member-States that have ratified the Convention; and (ii) co-productions involving Member-States and other parties that have not approved the Convention, provided that the contribution of these parties does not exceed 30 per cent of the total cost of the production.

It should be noted that bilateral agreements concluded between Member-States or between the latter and other parties are not jeopardized by acceptance of the Convention.

What prompted the repeal of the 1992 Convention?

The objectives that prompted the adoption of new rules and the repealing of the text of the 1992 European Convention on Cinematographic Coproduction were, *inter alia*: (i) for the acceding States to be able to continue to provide an effective and relevant framework for cinematographic coproduction; (ii) to regulate relations between the Parties in the field of multilateral coproductions originating in the territory of the Parties; (iii) making the participation of film producers in co-productions more flexible; (iv) updating the procedures required for national authorities to recognize a film made under the co-production regime; and (v) extending the scope of the Convention to allow non-European countries to benefit from its provisions.

What changes with the new Coproduction Convention?

With the new Convention, cinematographic works (*e.g.*, fiction, animation and documentaries) shot on any medium will be able to acquire the co-production status provided for in the Convention and consequently benefit from funding from the European [Eurimages](#) fund to support European cinema, in the form of an advance on expected revenues. The acquisition of this co-production status presupposes the fulfilment of certain criteria by the participants, such as:

- Having one or more minority shareholdings, which may be limited to the financial field, under the terms of the co-production contract, provided that each national component is neither less than 10% nor more than 25% of the production cost;

- Having a majority co-producer with effective technical and artistic participation, who fulfils the requirements for the cinematographic work to be considered a national work in their country;
- Helping promote cultural diversity and intercultural dialogue; and
- Being the subject of co-production contracts that include provisions on revenue sharing.

[Vasco Stilwell d'Andrade \[+info\]](#)

[Maria Luísa Cyrne \[+info\]](#)

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