

audio-visual centres, six of which will contain production, marketing and distribution offices.

The productions of the National Film Board of Canada are also distributed worldwide through the Board's offices in New York, London, Paris and Montreal.

15.8.2 Telefilm Canada

Telefilm Canada, formerly known as the Canadian Film Development Corporation, was established by the federal government in 1967. The Corporation aims to foster and promote the development of a feature-film industry and an independent television production industry in Canada. Telefilm currently operates two broad categories of programs — one related to the feature-film industry, and the other related to independent television production — each with different eligibility requirements.

Feature film. The Feature Film Fund is designed to stimulate investment in the production and distribution of high-quality, culturally relevant Canadian dramatic feature films, made by the private sector, and destined for commercial theatrical release.

Telefilm Canada may participate financially in the development, production and marketing of productions. In order to activate the Corporation's financial participation, there must exist a contract between an eligible producer and an eligible distributor guaranteeing the film's theatrical release in Canada, within one year of completion.

In addition to supporting individual projects, Telefilm Canada may also direct its financial participation to eligible companies on packages of projects. The Corporation will provide assistance to develop international co-productions and pre-sales, and to enhance the foreign sales and promotion of Canadian productions. Productions financed through the Feature Film Fund cannot be financed through the Canadian Broadcast Program Development Fund, nor vice-versa.

Financial assistance through the Feature Film Fund is intended to complement other sources of production and distribution financing and may be negotiated as equity investment, long-term corporate loans, secured loans or non-interest bearing advances. A Versioning Assistance Fund is also administered by Telefilm Canada.

Script and project development. The Corporation provides recoverable advances to producers so that scripts may be prepared, budgets developed, and directors and performers secured.

Interim financing. Interim loans allow producers to begin production before equity financing is in

place. Canadian distributors and foreign sales companies can also access the Interim Financing Fund.

The Canadian Production Marketing Assistance Fund was established to improve the marketing and promotional strategies of Canadian productions in national and international markets, and to enhance the competitiveness and visibility of Canadian foreign sales companies both in Canada and abroad.

The Feature Film Distribution Fund was created in order to provide Canadian theatrical distribution with a source of funding to assist in the acquisition of distribution rights to Canadian films, and to provide overall financial assistance which will strengthen the Canadian distribution sector, thus favouring investment of Canadian market revenues into new Canadian productions and ensuring a healthier domestic film industry.

Independent television production. The Corporation participates financially in the Canadian Broadcast Program Development Fund, by means of equity investment, secured loans or loan guarantees, in high-quality Canadian productions in the categories of drama, variety, documentary and children's programming. Each project must meet Telefilm Canada Canadian-content standards and must have secured a guarantee from a Canadian over-the-air broadcaster to broadcast the program within two years of completion. For the purpose of the Canadian Broadcast Program Development Fund, Canadian over-the-air broadcasters are understood to be the CBC/Radio-Canada, all private over-the-air stations or networks and provincial educational authorities which hold a television broadcasting licence. Script and project development, interim financing and Canadian production marketing assistance are also available for broadcast material.

The Festivals Office is responsible for coordinating Canadian participation in film festivals around the world and for establishing national film representation abroad. It also administers a grants program to Canadian Film Festivals. Canada has official co-production treaties with 16 countries: Algeria, Argentina, Belgium, China, Czechoslovakia, the Federal Republic of Germany, France, Hungary, Israel, Italy, Morocco, New Zealand, Spain, Switzerland, the United Kingdom and Yugoslavia. Such treaties allow producers from two or more countries to share in the creative, technical, and financial aspects of a production while enjoying the benefits accorded a national production in each country (such as direct aid, tax incentives, and quota system).