

BROADCASTER ENVELOPE PROGRAM – ENGLISH AND FRENCH GUIDELINES 2025-2026

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1. GENERAL INFORMATION

Section 1 of the <u>Linear Content Programs - Core Production Guidelines</u> and the <u>Linear Content Programs - Core Development and Predevelopment Guidelines</u> (as applicable), shall apply to the Broadcaster Envelope Program - English and French, unless otherwise specified.

2. OVERVIEW

2.1 INTRODUCTION

In addition to the requirements set out in these Guidelines, Applicants must comply with (i) the rules and requirements of the <u>Linear Content Programs – Core Production Guidelines</u> and the <u>Linear Content Programs – Core Development and Predevelopment Guidelines</u> (as applicable), and (ii) the applicable policies and definitions in Appendix A and Appendix B.

The Broadcaster Envelope Program – English and French ("**Program**"), part of the CMF's Linear Programs, encourages partnerships between broadcasters, distributors, and producers to create content that Canadian audiences want to consume anytime, anywhere. For clarity, there are separate Guidelines for the Diverse Languages Envelope Program for its specific set of rules and eligibility requirements.

The CMF contributes to Eligible Projects in this Program through Envelope Allocations, which are allotments of CMF Program funds made to Canadian Broadcasters with a track record of supporting Canadian programming. Canadian Broadcasters select which Eligible Projects may receive funds from their Envelope Allocation up to the limit of the funds allocated to them and subject to per-project Maximum Contribution amounts (see section 4.2) and other specified limitations. Canadian Broadcasters are free to use their Envelope Allocations to fund Eligible Projects in development and production (see section 3.2). Canadian Broadcasters who do not have a Development or Production Envelope Allocation may be eligible for the Alternative Access Allocation (see section 3.2 of the Broadcaster Envelope Manual).

Starting in 2025-2026, additional support will be provided to Eligible Projects in the Children and Youth genre (as defined in <u>Appendix A</u>), including the following:

In Development

• The Maximum Contribution for Eligible Projects in the Children and Youth genre has increased to 75% of the Eligible Costs, up to a total of \$200,000 for all combined development activities and phases.

In Production

- Expanded market tests to allow an Eligible International Entity (as defined in <u>Appendix A</u>) to contribute the minority share of the Eligible Triggering Commitment Threshold (see section 3.2.4.1 of the <u>Linear Content Programs – Core</u> <u>Production Guidelines</u> for more information) in this genre only.
- Eligible Triggering Commitment Thresholds have been lowered for most Project Types as set out in section 3B), subsection 3.2.1 (see the Children and Youth Programming Threshold table).

In production, if a Project's financing is not confirmed in full prior to the Program's Final Closing Date, documentation must be submitted with the Application as supporting evidence of:

- Broadcaster Envelope contributions and all Eligible Licence Fees and Eligible Market Contributions contributing to the Eligible Triggering Commitment Threshold; and
- Confirmation of a minimum of 60% of total Canadian financing for the Project (accompanied by a viable financing plan for the remainder of the Project funding).

The Applicant must confirm 100% of the financing of the Project, supported by signed agreements, no later than the Program's Final Closing Date.

Finally, Canadian Broadcasters in this Program are required to direct a minimum percentage of their respective Envelope Allocation dollars to Projects where a designated percentage of key creative roles are held by individuals that publicly identify as women (see section 3.3.4 of the Broadcaster Envelope Manual).

For information on the administration of Broadcaster Envelopes, including Broadcaster Envelope calculation methodology, genre allocations and flexibility, transfer policies, and other information, please see the Broadcaster Envelope Manual available on the CMF's website at www.cmf-fmc.ca.

2.2 **DEFINITIONS**

Please see Appendix A for definitions on the following terms found in these Guidelines:

- Broadcaster-Affiliated Programming
- Canadian Broadcaster
- Eligible Canadian Distributor
- Eligible International Entity
- In-house Programming
- Regional Project (Predevelopment, Development and Conceptualization)
- Related Party

2.3 LANGUAGE OF PROJECTS

2.3.1 Original Language of Production

In production, in addition to the requirements in section 2.4.1 of the <u>Linear Content Programs – Core Production Guidelines</u>, Eligible Projects in this Program may in some narrow circumstances receive contributions from both a French-language Broadcaster Envelope Allocation and an English-language Broadcaster Envelope Allocation.

Some flexibility regarding language requirements will be allowed in specific circumstances as set out in section 2.4.1 of the Linear Content Programs - Core Production Guidelines.

3.1 ELIGIBLE APPLICANTS

In development, an Eligible Applicant to this Program must meet the Eligible Applicant criteria in section 3.1 of the <u>Linear Content Programs – Core Development and Predevelopment Guidelines</u>.

3.2 ELIGIBLE PROJECTS

In addition to the below requirements, an Eligible Project in development must meet any further requirements/qualifications noted in section 3.2 of the <u>Linear Content Programs - Core Development and Predevelopment Guidelines.</u>

An Eligible Project must be developed as a Canadian production or intended as an audiovisual treaty coproduction. A Canadian scriptwriter must be involved in all stages of development. For Eligible Projects meant for Canadian audiovisual treaty coproductions, the active creative contribution of a Canadian scriptwriter is required.

The Applicant must have acquired all rights and options to the Eligible Project, exclusively for the period of time necessary for the adaptation of the original work or concept, the scriptwriting, the production and worldwide distribution.

Eligibility for development funding does not guarantee Applicant or Project eligibility for further CMF development or production funding.

In this Program, Canadian Broadcasters are limited in the amount of their Envelope allocation they are permitted to commit to Broadcaster-Affiliated Programming and In-house Programming. Canadian Broadcasters may commit up to 25% of their combined Drama, Documentary, Children and Youth, Variety and Performing Arts, and flex amounts to In-house and/or Broadcaster-Affiliated Programming in those four genres.

Canadian Broadcasters whose combined corporate group Envelope allocation is less than \$5 million and Educational Broadcasters are exempt from this limit (see section 3.3.3 of the Broadcaster Envelope Manual).

3.2.1 Eligible Triggering Commitment Threshold

All applications for development financing in this Program must include a Development Fee by a Canadian Broadcaster (or Broadcasters). Development Fees must meet or exceed a minimum amount, expressed as a percentage of the Eligible Costs of the Project ("Eligible Triggering Commitment Threshold"), to be eligible for CMF funding.

Development Fee Threshold amounts for an Eligible Project in this Program are:

- For English Projects: the Development Fee Threshold is 50% of the Eligible Costs (or 25% of Eligible Costs for English Regional Projects (Predevelopment, Development and Conceptualization) as defined in Appendix A).
- For French Projects, the Development Fee Threshold is 25% for Drama and pilots of all eligible genres, and is 15% for Documentary, Children and Youth, and Variety and Performing Arts.
- If there is third-party financing other than the CMF, the Applicant (including a Related Party as defined in <u>Appendix A</u>), or the Canadian Broadcaster, then the Eligible Triggering Commitment Threshold and the CMF contribution are calculated on the total financing of the Eligible Costs minus third-party financing.

3.1 ELIGIBLE APPLICANTS

In production, an Eligible Applicant to this Program must meet:

- The Eligible Applicant criteria in section 3.1 of the Linear Content Programs Core Production Guidelines; and
- Any applicable specific eligibility criteria noted in this section.

3.2 ELIGIBLE PROJECTS

In addition to the below requirements, an Eligible Project in production must meet any further requirements/qualifications noted in section 3.2 of the Linear Content Programs – Core Production Guidelines.

An "Eligible Project" in this Program is a project whose original language of production is English or French¹.

In this Program, Canadian Broadcasters are limited in the amount of their Envelope allocation they are permitted to commit to Broadcaster-Affiliated Programming and In-house Programming. Canadian Broadcasters may commit up to 25% of their combined Drama, Documentary, Children and Youth, Variety and Performing Arts, and flex amounts to In-house and/or Broadcaster-Affiliated Programming in those four genres.

Canadian Broadcasters whose combined corporate group Envelope allocation is less than \$5 million and Educational Broadcasters (defined in section 4.2 below) are exempt from this limit (see section C.3.3.3 of the <u>Broadcaster Envelope Manual</u>).

3.2.1 Eligible Triggering Commitment Threshold

The Eligible Triggering Commitment Threshold ("**Threshold**") is the minimum amount of Eligible Licence Fees (and, if applicable, Eligible Market Contributions) that an Eligible Project must receive from one or more Canadian Broadcasters (and, if applicable, Eligible Canadian Distributors and/or Eligible International Entities - see section 3.2.4.1 of the <u>Linear Content Programs – Core Production Guidelines</u> for more details on this market test for the Children and Youth genre only) to be eligible for CMF funding.

The Eligible Triggering Commitment Threshold amounts for each genre are as follows:

DRAMA PROGRAMMING

LANGUAGE	PROJECT		
LANGUAGE	TYPE	ELIGIBLE COSTS	ELIGIBLE TRIGGERING COMMITMENT THRESHOLD
	All Eligible Projects	Less than \$800,000 per hour	45% of Eligible Costs or \$315,000 per hour, whichever is less
	Series or one-offs	\$800,000 per hour or more	\$315,000 per hour
ENGLISH	Movies of the Week (MOW) and Mini-	\$800,000 per hour to \$1,857,143 per hour	\$235,000 per hour
	series	More than \$1,857,143 per hour	12.5% of Eligible Costs
	Half-hour pilots	More than \$700,000 per half- hour	\$205,000 per half-hour

¹For clarity, suitable exceptions will be made for Canadian Broadcasters with Broadcaster Envelope allocations that broadcast in English and/or French and Indigenous-Canadian languages.

	1-hour pilots	More than \$1.75 million per hour	\$525,000 per hour
	Theatrically-released ² Feature Films	All	5% of Eligible Costs or \$230,000 per project, whichever is less
	All Eligible Projects (excl. MOWs)	Less than \$250,000 per hour	50% of Eligible Costs
FRENCH	All Eligible Projects (excl. MOWs)	\$250,000 per hour or more but less than \$800,000 per hour	23% of Eligible Costs
TRENGT	All Eligible Projects (excl. MOWs)	\$800,000 per hour or more	20% of Eligible Costs or \$195,000 per hour, whichever is less
	Movies of the Week (MOW)	All	\$150,000 per project

VARIETY AND PERFORMING ARTS PROGRAMMING

LANGUAGE	PROJECT			
LANGUAGE	ТҮРЕ	ELIGIBLE COSTS	ELIGIBLE TRIGGERING COMMITMENT THRESHOLD	
ENGLISH	Variety and Performing Arts	Less than \$750,000 per hour	40% of Eligible Costs or \$240,000 per hour, whichever is less	
LITOLIOIT		\$750,000 or more per hour	\$240,000 per hour	
		Less than \$750,000 per hour	50% of Eligible Costs	
FRENCH	Variety	\$750,000 or more per hour	25% of Eligible Costs	
	Performing Arts	All	20% of Eligible Costs	

DOCUMENTARY PROGRAMMING

LANGUAGE	PROJECT		
LANGUAGE	TYPE	ELIGIBLE COSTS	ELIGIBLE TRIGGERING COMMITMENT THRESHOLD
ENGLISH	One-offs and mini-series (excluding feature length documentaries)	Less than \$400,000 per hour	30% of Eligible Costs or \$100,000 per hour, whichever is less
	Series	Less than \$400,000 per hour	40% of Eligible Costs or \$100,000 per hour, whichever is less

²To be eligible for this Threshold, Applicants are required to provide a distribution agreement from a distributor that meets the CMF's definition of an Eligible Canadian Distributor (as defined in in <u>Appendix A</u>) for the Canadian theatrical release of their Project as part of their application.

	All Eligible Projects (excl. feature-length documentaries)	\$400,000 and above	\$100,000 per hour
	Feature-length documentary	All	10% of Eligible Costs or \$90,000 per project, whichever is less
	All Eligible Projects (excl. feature-length documentaries)	Less than \$100,000 per hour	35% of Eligible Costs
FRENCH	All Eligible Projects (excl. feature-length documentaries)	\$100,000 per hour to \$400,000 per hour	20% of Eligible Costs
	All Eligible Projects (excl. feature-length documentaries)	More than \$400,000 per hour	15% of Eligible Costs or \$60,000 per hour, whichever is less
	Feature-length documentary	All	10% of Eligible Costs or \$60,000, whichever is less

CHILDREN AND YOUTH PROGRAMMING

LANGUAGE	PROJECT			
	TYPE	ELIGIBLE COSTS	ELIGIBLE TRIGGERING COMMITMENT THRESHOLD	
	Live-action Eligible Projects	Less than \$750,000 per hour	20% of Eligible Costs or \$130,000 per hour, whichever is less	
ENGLISH	Live-action Eligible Projects	\$750,000 or more per hour	\$130,000 per hour	
ENGLISH	Animated ³ Eligible Projects	All	10% of Eligible Costs	
	Theatrically-released ⁴ Animated Feature Films	All	5% of Eligible Costs or \$190,000 per project, whichever is less	
FRENCH	Live-action Eligible Projects	less than \$750,000 per hour	30% of Eligible Costs	
INLINOIT	Live-action Eligible Projects	\$750,000 or more per hour	12.5% of Eligible Costs	

³To be eligible for this Threshold, Eligible Projects must be comprised of 100% animation.

⁴To be eligible for this Threshold, Applicants are required to provide a distribution agreement from a distributor that meets the CMF's definition of an Eligible Canadian Distributor (see <u>Appendix A</u>) for the Canadian theatrical release of their Project as part of their application.

Animated ⁵ Eligible Projects	All	10% of Eligible Costs
Theatrically-release Animated Feature Films	ed ⁶ All	5% of Eligible Costs or \$120,000 per project, whichever is less

For audiovisual treaty coproductions, the CMF Eligible Triggering Commitment Thresholds will be calculated on the Eligible Costs of the Canadian portion of the production's global budget as certified by Telefilm Canada's Business Affairs and Coproduction Department.

The entirety of the Eligible Triggering Commitment contributing to meeting the Eligible Triggering Commitment Threshold must be used in the production financing of the Eligible Project.

3.2.2 Maximum Terms

In addition to the requirements set out in section 3.2.4.3 of the <u>Linear Content Programs – Core Production Guidelines</u>, Eligible Projects in this Program will be assessed by the CMF to determine the maximum allowable period of all exploitation windows granted in consideration for Eligible Triggering Commitment ("**Maximum Term**") in production. The Maximum Term for an Eligible Project, in the aggregate and including both exclusive and non-exclusive terms is:

Children and Youth, Documentary, and Variety and Performing Arts: 6 years

English-language Drama: 7 years

French-language Drama: 5 years

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⁵ To be eligible for this Threshold. Eligible Projects must be comprised of 100% animation.

⁶To be eligible for this Threshold, Applicants are required to provide a distribution agreement from a distributor that meets the CMF's definition of an Eligible Canadian Distributor (as defined in <u>Appendix A</u>) for the Canadian theatrical release of their Project as part of their application.

4A. CMF CONTRIBUTION - DEVELOPMENT

A CMF Contribution to an Eligible Project will follow:

- The criteria in section 4 of the <u>Linear Content Programs Core Development and Predevelopment Guidelines</u>;
- Any applicable specific criteria noted in this section.

4.1 NATURE OF CONTRIBUTION

See section 4 of the <u>Linear Content Programs – Core Development and Predevelopment Guidelines.</u>

4.2 AMOUNT OF CONTRIBUTION

Canadian Broadcasters may decide what proportion of their Broadcaster Envelope Allocation to allot to an Eligible Project up to the limit of the funds allocated to them and up to the specified Maximum Contribution amounts below.

In development, the Maximum Contribution by the CMF to a French and/or English Eligible Project, is the lesser of:

- 75% of the Eligible Costs, up to a total of \$200,000 for all combined development activities and phases for: a) an
 English Regional Project (Predevelopment, Development, and Conceptualization) (as defined in <u>Appendix A</u>), or b)
 an Eligible Project accessing Broadcaster Envelope (English and French) Development funding in the Children and
 Youth genre only, or
- 50% of the Eligible Costs, up to a total of \$200,000 for all combined development activities and phases (including
 first-come, first-served Development Funding) for all other Eligible Projects (i.e. that do not meet the definition of an
 English Regional Project (Predevelopment, Development, and Conceptualization) or are from the other three genres
 supported by the CMF).

The Canadian Broadcaster's entire Development Fee and any other confirmed sources of development financing must be included within the financial structure prior to confirmation of the CMF contribution amount, up to the Maximum Contribution level.

4.2.1 Eligible Costs

In development, only Canadian costs are Eligible Costs. Costs incurred more than twelve (12) months prior to the Applicant entering into an eligible development agreement* are not Eligible Costs, with the exception of the option or acquisition of rights and the expenses associated with acquiring those rights, as long as they are not paid to a person with ownership interest.

*Note: An eligible development agreement is the current, legally binding agreement between the Applicant and a Canadian Broadcaster that triggers the CMF development funding sought by the Application, and includes, where applicable, a Development Fee that meets the applicable Development Fee Threshold.

4B. CMF CONTRIBUTION – PRODUCTION

A CMF Contribution to an Eligible Project will follow:

- The criteria in section 4 of the Linear Content Programs Core Production Guidelines; and
- Any applicable specific criteria noted in this section.

4.1 NATURE OF CONTRIBUTION

The initial CMF contribution to the Eligible Project will be in the form of a Licence Fee Top-Up, up to a maximum of 20% of the Project's Eligible Costs.

CMF contribution amounts in excess of this 20% maximum will be in the form of an Equity Investment up to the maximum amounts noted in section 4.2 below (Licence Fee Top-Up and Equity Investment combined). The CMF considers an eligible Equity Investment request of less than \$100,000 too small for equity participation. Such requests will be automatically converted to a Licence Fee Top-Up.

CMF contributions may be combined in the financing of an Eligible Project from more than one Broadcaster Envelope – English and French allocation. The total combined CMF contribution committed from all Broadcaster Envelope allocations must respect any applicable Maximum Contribution amounts and the total combined CMF contribution committed from all Broadcaster Envelope allocations must respect the Licence Fee Top-Up and Equity Investment split described above.

4.2 AMOUNT OF CONTRIBUTION

Canadian Broadcasters may decide what proportion of their Broadcaster Envelope Allocation to allot to an Eligible Project up to the limit of the funds allocated to them and up to the specified Maximum Contribution amounts and other specified limitations.

The CMF's Maximum Contribution in the Broadcaster Envelope Program – English and French is as follows:

- All Canadian Broadcasters (other than Educational Broadcasters, as defined below): 49% of the Eligible Project's Eligible Costs; and
- For Educational Canadian Broadcasters (Knowledge Network, Télé-Québec, TFO and TVO): only 60%⁷ of the Eligible Project's Eligible Costs.

There are no minimum Broadcaster Envelope – English and French allocation contribution amounts to an Eligible Project.

4.2.1 Eligible Costs

See section 4.2.1 of the Linear Content Programs - Core Production Guidelines.

4.3 COMBINING BROADCASTER ENVELOPE PROGRAM FUNDS WITH OTHER CMF PROGRAMS

Applicants should consult the relevant Program Guidelines if they wish to combine funding with the Broadcaster Envelope Program as Maximum Contributions and Eligible Triggering Commitment Thresholds may be impacted.

⁷This allowance will not be available in situations where Educational Canadian Broadcasters co-licence a project with non-Educational Canadian Broadcasters.

5. DECISION PROCESS

The CMF will contribute to Eligible Projects through English and French Broadcaster Envelope Allocations, which are allotments of CMF Program funds made to Canadian Broadcasters with a track record of supporting Canadian programming.

These English and French Broadcaster Envelope Allocations may be used for either development- or production-stage Projects.

Canadian Broadcasters select which Eligible Projects may receive funds from their English and French Broadcaster Envelope Allocations up to the limit of the funds allocated to them (subject to certain limitations outlined in these Guidelines).

The envelope allocation mechanism enables the CMF to disburse funds in a timely, efficient, and market-driven manner in partnership with Canadian Broadcasters. Although envelope allocations are assigned to Canadian Broadcasters, CMF funding is disbursed directly to Applicants.