



CANADA
MEDIA FUND

FONDS DES MÉDIAS
DU CANADA

**DEVELOPMENT
ENVELOPE
PROGRAM
GUIDELINES
2023-2024**

Please be advised, in response to the disruption in Canada's screen-based industries caused by the COVID-19 pandemic, there may be specific exceptions to the following Guidelines found in the [COVID-19 Flexibility Measures to CMF Programs - 2023-2024](#).

Please refer to that separate document to determine if there is any flexibility to the requirements, contribution amounts and policies listed herein.

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1. GENERAL INFORMATION

Interpretation, Application, Disclaimer, and other Important Information

These Guidelines are for the information and convenience of Applicants (as defined in section 3.1) to the Canada Media Fund (CMF). They provide an overview of the objectives of the CMF, the manner in which the CMF is administered, and information on typical administrative practices of the CMF. Compliance with these Guidelines is a prerequisite to eligibility for any CMF funding.

The CMF has full discretion in the administration of its Programs and in the application of these Guidelines to ensure funding is provided to those Projects that contribute to the fulfillment of its mandate. In all questions of interpretation of its Programs, Guidelines, Agreements and whether Applicants and/or Projects meet the spirit and intent of any CMF policy, CMF the interpretation shall prevail.

All Applicants and broadcasters (where relevant) must abide by the Accounting and Reporting Requirements (ARR) of the CMF and follow applicable business policies as created and amended from time to time. Business policies, including the ARR, may be found in Appendix B of the CMF Guidelines and are also available from the CMF website at www.cmf-fmc.ca. Information included in Appendices A and B is an integral part of these Guidelines.

Projects that receive CMF funding in a given year are subject to the Guidelines and CMF policies in effect for that fiscal year. To be clear, changes to CMF Guidelines and/or policies made in a subsequent fiscal year will not apply retroactively, unless specifically stated. The CMF fiscal year is April 1 to March 31.

Please note: These Guidelines may be changed or modified as required, without notice. Please consult the CMF website at www.cmf-fmc.ca for the latest Guideline news and documentation.

Provision of Documentation

It is the responsibility of the Applicant to ensure that the CMF receives all relevant documentation, and to update such documentation and information after a material change. The CMF may request other documentation and information to conduct an assessment and evaluation of the project and, once assessed, to complete CMF file reviews. For the purposes of project assessment and evaluation, the CMF reserves the right to rely solely on the written and audiovisual materials initially submitted by the Applicant.

Failure to Comply

If an Applicant fails to comply with these Guidelines, as determined by the CMF, then the CMF may refuse the application, revoke the eligibility status of the Applicant's Project, and may demand repayment of any sums paid to the Applicant.

Misrepresentation

If, at any time, an Applicant, as required by the Guidelines or as requested by the CMF, provides false information or omits material information in connection with an Application, the Applicant may suffer serious consequences.

These may include, among other outcomes:

- Loss of eligibility for funding of the current Project;
- Loss of eligibility for funding of future Projects;
- Repayment of any funds already advanced, with interest; and/or
- Criminal prosecution, in the case of fraud.

These measures may be imposed not only on the Applicant but also on related, associated and affiliated companies and individuals (as determined by the CMF at its sole discretion). Any Applicant receiving approval for funding will be required to sign a legally enforceable agreement, which includes further provisions concerning misrepresentations, defaults, and related matters.

PERSONA-ID self-identification information

The PERSONA-ID self-identification allows individuals to disclose their demographic information directly and securely to the Canada Media Fund (CMF).

The CMF shall rely solely on the self-identification information associated with each individual's PERSONA-ID number to determine (as applicable) eligibility for Programs, exclusive reserved portions of Program budgets, Performance and Development Envelope credit, Evaluation Grid points and/or for statistical and analytical purposes. À

All PERSONA-ID self-identification information in connection with the Project is provided in accordance with the [Persona-ID Terms of Use & Privacy](#).

For more information about PERSONA-ID, please visit the [CMF's PERSONA-ID page](#).

2. HOW THE DEVELOPMENT ENVELOPE PROGRAM WORKS

HOW TO READ THESE GUIDELINES

Projects in the Convergent Stream may involve both a Television Component and one or more Digital Media Components. The eligibility and technical requirements for these two Components may be very different. In these Guidelines, sections dealing with requirements for the Television Component use “.TV” in their section number, and sections dealing with requirements for the Digital Media Component use “.DM”. Sections dealing with requirements for the entire convergent project – i.e., the Television Component and, where applicable, the Digital Media Component – simply use a section number without “.TV” or “.DM”.

2.1 INTRODUCTION

In the Development Envelope Program, which forms part of the CMF’s Convergent Stream, the CMF contributes to Eligible Projects (see section 3.2) through Development Envelope allocations, which are apportionments of CMF Program funds made to Canadian Broadcasters. Broadcasters may then choose which development Projects they wish to allot a portion of their Development Envelope Allocation to, subject to specified Maximum Contribution amounts (see section 2.3.1) and other limitations.

To be eligible, Projects must have received a financial commitment (Development Fee) from the applicable broadcaster that meets or exceeds a specified minimum Development Fee Threshold (see section 3.2.TV.5) for the Eligible Project. Maximum Contribution and Development Fee Threshold amounts are calculated on the Eligible Costs of the Eligible Project (see section 2.3.2).

Broadcasters are required to direct a minimum percentage of their respective Development Envelope allocation dollars to Projects where a designated percentage of key creative roles are held by individuals that identify as women (see sections C.4 and D.1 of the [Development Envelope Manual](#)). Canadian Broadcasters who do not have a Development Envelope Allocation may be eligible for the Alternative Access Allocation (see E.1.1 of the Development Envelope Manual).

For clarity, in cases where the Applicant is applying with both a TV and DM Component(s), both Components will be submitted through one single application budget.

The CMF also provides specific development financing for Indigenous, Francophone Minority, Northern and Racialized Communities. Projects may receive development funding from multiple CMF development programs but not for the same development activities. See the Targeted Development Funding Guidelines for more information.

2.1.1 Definitions Applicable to the Development Program: Canadian Broadcaster, Broadcaster-Affiliated Programming, In-house Programming, Diverse Community Project and Regional Development Project

Canadian Broadcaster

Any of the following will be considered a “Canadian Broadcaster”:

- a. A Canadian programming undertaking, public or private, licensed to operate by the Canadian Radio-television and Telecommunications Commission (CRTC)¹;
- b. An online service² owned, controlled and operated by a Canadian CRTC-licensed programming undertaking;
- c. An online service³ owned, controlled and operated by a Canadian broadcasting distribution undertaking (“**BDU**”), licensed to operate by the CRTC; and
- d. CRTC-licensed VOD services.

¹This includes exempt broadcasters regulated by the CRTC via *Broadcasting Order CRTC 2015-88*.

²This includes services accessed via a set-top box.

³This includes services accessed via a set-top box.

Broadcaster-Affiliated Programming

A broadcaster-affiliated production company is an Applicant, as defined in section 3.1(1), that is affiliated with a Canadian broadcaster (the CMF uses the definition of “Affiliate” set out in the Canada Business Corporations Act). Affiliated Programming covers Projects produced by a broadcaster-affiliated production company and licensed by its affiliated broadcaster(s).

In-house Programming

In-house Programming comprises Projects produced and owned by a Canadian broadcaster.

Broadcasters are limited in the amount of their Development Envelope allocation that they are permitted to commit to Affiliated Programming and In-house Programming to 15% of their Development Envelope allocation. However, corporate groups, and independent broadcasters whose combined Performance Envelope allocation (from both languages) is less than \$5 million and educational broadcasters are exempt from this limit (see section C.5 of the [Development Envelope Manual](#)).

Diverse Community Project

A Diverse Community Project in this Program is a Project in which:

- Final control in all matters relating to the Applicant company⁴ and the Project;
- AND
- at least 51% of the Applicant company’s ownership and of the Project’s copyright
- are retained by a member (or members) of one (or a combination) of the Diverse Communities noted below.

For the purposes of the CMF’s 2023-2024 Guidelines, the term “Diverse Community” refers to the following groups:

- a) Indigenous peoples to Canada (i.e., First Nations, Inuit and Métis);
- b) Racialized Communities (i.e., Black People and People of colour);
- c) Members of the 2SLGBTQ+ community; or
- d) Persons with disabilities/Disabled persons.

The CMF defines each of these groups in more detail in [Appendix A](#) of these Guidelines.

For clarity, the Diverse Community member (or members) of the Applicant company:

- i) Exercises full control of the creative, artistic, technical and financial aspects of the Television Component
- ii) Has meaningfully participated in the Television Component’s development.

Where the final control and central decision makers in both the Applicant company and the Project are not with the Diverse Community member(s) from the Applicant company, the Project is not considered to be a Diverse Community Project. The CMF reserves the right to request additional documentation (including by-laws and articles of incorporation) to ensure the ownership and control provisions are met.

⁴Including the Applicant company’s Board of Directors.

English Regional Development Project

An English Regional Development Project is a project in which:

- a) The Applicant is based in the region with its head office in the region.
- b) The regional Applicant initiates and continues to meaningfully participate in the Project's development, retaining at least 51% ownership of the copyright interest in the Project.

For the purposes of this definition, "region" or "regional" is defined as any part of Canada more than 150 km by the shortest reasonable roadway route from Toronto

2.2 NATURE OF FUNDING CONTRIBUTION

Successful Applicants to the Program receive non-interest-bearing advances. 100% of the Eligible Project's advance must be repaid on or before the earliest applicable event of repayment as described here:

- i) The first day of official preparation for principal photography of the Television Component (regardless of the platform for which it is produced) or upon other use of the script /Creative Materials.

OR

- ii) The transfer, sale, assignment, or other disposition of the script/Creative Materials.

2.3 AMOUNT OF FUNDING CONTRIBUTION

2.3.1 CMF CONTRIBUTION

Canadian Broadcasters may decide what proportion of their Broadcaster Development Envelope Allocation to allot to an Eligible Project, up to the specified Maximum Contribution below.

The Maximum Contribution by the CMF, for English and French, to an Eligible Project, is the lesser of:

50% (or 75% for an English Regional Development Project) of the Eligible Costs in development, up to a total of \$200,000 for all combined development activities and phases (including Targeted Development Funding).

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.

For clarity, the Maximum Contribution Amount will be calculated on the Project's combined Eligible Costs (e.g., both Television and Digital Media Components) and will be submitted through one single application budget.

2.3.2 ELIGIBLE COSTS

All Eligible Costs in Development are costs set out in the development budget of the Eligible Project or the final cost report as applicable (including both related-party and non-related-party costs) – plus costs the CMF considers necessary⁵ and minus costs the CMF considers excessive, inflated or unreasonable. Assessment of a project's Eligible Costs is at the CMF's sole discretion. The CMF estimates Eligible Costs at the time of application, based on budgets for the project.

In this Program, only Canadian costs are Eligible Costs. Costs incurred more than 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.*

See sections 2.3.2.TV.1 and 2.3.2.DM.1 for information on Eligible Costs.

Additional CMF business policies relating to Eligible Costs are in [Appendix B](#).

2.3.1 Related-Party Transactions

All related-party fees, related-party allowances and any other related-party transactions must be:

- Disclosed to the CMF
- In accordance with the current [CMF Accounting and Reporting Requirements](#).

2.3.2.TV.1 Eligible Costs in Television Development

The CMF supports scriptwriting and other activities normally associated with television project development.

Depending on the development activity, allowable Eligible Costs shall be the following:

- Creation of pitch material including short non-broadcast demos;
- Predevelopment costs;
- Research;
- Option fees paid to an unrelated party, or acquisition of rights fees;
- Scriptwriting (1st draft scripts, polish, bible, etc.);
- Script workshops;
- Development of production budget and financing;
- Audience research;
- Focus groups;
- Travel and accommodation costs related to procuring international pre-sales;
- Sales market attendance;
- Producer fees and corporate overhead (subject to the [Producer Fees and Corporate Overhead Policy](#));
- Accounting fees (if review engagement is required as per the [Accounting and Reporting Requirements](#));
- Arms-length legal costs;
- Third-party preparation of the Production budget breakdown;
- Eligible Costs of the Digital Media Component (set out in 2.3.2.DM.1 below); and/or
- Reasonable costs related to environmentally-sustainable activities, practices and personnel connected to the project.

⁵While gifts to the public are ineligible as marketing expenses, gifts made to Indigenous communities recognized as cultural practice and referenced in the [On-Screen Protocols & Pathways Media Production Guide](#) will be accepted as Eligible Costs.

The following preproduction costs will also be considered Eligible Costs for returning series. These costs must not exceed 10% of the total development costs per Project:

- Cast retention;
- Set retention; and/or
- Showrunner fees.

Please note, the CMF development budget template outlines specific allowable costs.

For clarity, Maximum Contribution Amounts and the Development Fee Threshold will be calculated on the project's combined Eligible Costs (e.g., both Television and Digital Media Components) and will be submitted through one single application budget.

2.3.2.DM.1 Eligible Costs in Digital Media Development

The CMF supports activities related to the development of digital media content associated with the Television Component of the project. Depending on the project, allowable Eligible Costs shall be the following:

- Research;
- Arms-length legal costs;
- Accounting fees (if review engagement is required as per the [CMF Accounting and Reporting Requirements](#));
- Third-party preparation of the Production budget breakdown;
- Development of production budget and financing;
- Technology and content design;
- Market research;
- Prototype development; and/or
- Detailed production planning.

For clarity, Maximum Contribution Amounts and the Development Fee Threshold will be calculated on the project's combined Eligible Costs (e.g., both Television and Digital Media Components) and will be submitted through one single application budget.

3. ELIGIBILITY FOR FUNDING

3.1 ELIGIBLE APPLICANTS

An Eligible Applicant to the CMF is either a for-profit (i.e., a taxable Canadian corporation, within the meaning of Canada's *Income Tax Act*) production company or Canadian Broadcaster (defined in section 2.1.1 above) that:

- a) Is Canadian-controlled as determined in sections 26 to 28 of the *Investment Canada Act*.
- b) Has its head office in Canada.
- c) Is in good standing with all applicable talent and industry associations and guilds.
- d) Has affirmed and attested that the Project submitted for funding complies with the [CMF's Narrative Positioning Policy](#).

AND

- e) All individuals that own and control the Applicant company/Applicant Canadian Broadcaster have registered for a PERSONA-ID account(s) and have provided this account number as part of their Application.

Applicants who are unincorporated, but meet all other requirements above, may apply for development financing if they have never received CMF funding before. Applicants, however, will be required to incorporate prior to signing a Development Financing Agreement with the CMF.

Note: For the purposes of these Guidelines, the term Applicant includes all co-applicants, and/or all Related Parties (defined in [Appendix B](#)), associated, affiliated or parent companies and/or individuals (as determined by the CMF at its sole discretion), as applicable.

3.2 ELIGIBLE PROJECTS

An Eligible Project in this Program is defined as either (a) a TV Component or (b) TV and DM Component(s) that meets all applicable section 3.2 criteria and subsections. The CMF recognizes that Projects at the development stage are necessarily nascent, evolving works that may not strictly comply at application with all requirements of section 3.2 and its subsections. As such, TV Components must be reasonably intended to comply with the three Essential Requirements (see section 3.2.TV.1), as appropriate to each category of production and programming genre, as set out in [Appendix A](#), plus all other requirements of sections 3.2.TV.1 through 3.2.TV.4. DM Components must be reasonably intended to comply with the requirements of sections 3.2.DM.1 through 3.2.DM.4 as may be applicable to development. The CMF shall solely determine whether a development Project is reasonably intended to comply with these sections.

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

3.2.TV The Television Component

A Television Component of an Eligible Project must be linear audiovisual content that meets the following requirements:

- the CMF's Essential Requirements;
- the CMF's Genre requirements (as set out in [Appendix A](#));
- ownership and control requirements;
- miscellaneous requirements; and
- be in exchange for Eligible Development Fees which meet the applicable Development Fee Threshold.

The Television Component of 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 Television Components 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 Television Component, exclusively for at least 24 months from the Application for funding in this Program, which are necessary for the adaptation of the original work or concept, the scriptwriting, the production and worldwide distribution (with appropriate case-by-case exceptions for a purchased format).

3.2.TV.1 Essential Requirements

A production must meet the Essential Requirements listed here. For a series, the Essential Requirements apply to every episode of the cycle, even if all episodes are not submitted for CMF funding. The CMF solely decides whether or not a project meets the Essential Requirements and its interpretation shall prevail.

- 1) The TV Component will be certified⁶ by the Canadian Audio-Visual Certification Office (CAVCO) and has achieved 10/10 points (or the maximum number of points appropriate), as determined by the CMF using the CAVCO scale.
- 2) Underlying rights are owned, and significantly and meaningfully developed, by Canadians.
- 3) The TV Component is shot and set primarily in Canada.

Further details on these Essential Requirements and permissible genre-specific exceptions are in [Appendix A](#) of these Guidelines. This Appendix includes other important information and is an integral part of these Guidelines.

3.2.TV.1.1 Audiovisual Treaty Coproductions

With respect to the CMF eligibility of audiovisual treaty coproductions, these Essential Requirements shall be interpreted so as to treat the coproduction partner as “Canadian.”

Accordingly, the term “Canadians” in Essential Requirement 2, and the term “Canada” in Essential Requirement 3 include the coproduction country. The 10/10 points referenced in Essential Requirement 1 must be attained by citizens of Canada or the coproducing country.

The CMF recognizes that Projects at the development stage are necessarily nascent, evolving works that may be unable to strictly comply at application with all of the requirements of Section 3.2.TV.1. As such, TV Components must be reasonably intended to comply with the Essential Requirements, as appropriate to each category of production and programming genre, as set out in [Appendix A](#), plus all other eligibility requirements that may be applicable to development and, in the CMF’s discretion, comply with the spirit and intent of the Guidelines.

For information on audiovisual treaty coproduction between Canada and other territories, please see [Telefilm Canada’s treaty coproduction guidelines](#).

⁶Exceptions may be granted by the CMF for exempt broadcasters regulated by the CRTC via Broadcasting Order CRTC 2015-88.

3.2.TV.2 Genres of Programming

The CMF supports the following genres: drama, documentary, children’s and youth programming, and variety and performing arts. The CMF defines each in [Appendix A](#) of these Guidelines.

The following is a non-exhaustive list of genres and programming formats that are not eligible to apply to the CMF: sponsored productions⁷, sports, news, game shows, current affairs, public affairs, lifestyle productions, “how-to” productions, reality television, instructional television, infomercials, music videos, formal or curriculum-based educational programs, foreign format buys without significant Canadian adaptation and creative contribution, magazine productions, talk shows, “talkshows culturels,” non-cultural galas and award shows⁸, reporting and current events, religious programs, fundraising productions, benefits, tributes, promotional productions, pep rallies, travelogues and interstitials.

Note: Some flexibility exists for children’s and youth programming. See [Appendix A](#) for more information.

3.2.TV.3 Canadian Ownership and Control

The Television Component must meet these criteria:

- a) It is under Canadian ownership and Canadian executive and creative control.
- b) It is under the financial control of Canadian citizens or permanent residents.
- c) It is, and has been, controlled creatively and financially by a Canadian production company during all stages of development.
- d) Generally, no more than 49% of the development financing is provided by a single non-Canadian entity, person or related entity. Interim lending of more than 49%, however, may be provided by a non-Canadian arm’s-length entity in the business of lending money and taking security.
- e) The Applicant retains and exercises all effective controls or approvals consistent with those of a producer. This includes control and final approval of creative decisions and financing, distribution and exploitation, and preparation and final approval of the budget, subject to reasonable and standard approval rights customarily required by arm’s-length financial participants, including Canadian broadcasters and distributors.
- f) The Applicant owns all rights (including copyright) and options necessary for the development, production and its distribution in Canada and abroad (with appropriate case-by-case exceptions for a purchased format) and retains an ongoing financial interest in the TV Component.

Note: The interpretation of these criteria shall allow Canadian audiovisual treaty coproductions to access the CMF.

3.2.TV.4 Miscellaneous Requirements

The Television Component must meet these criteria:

- a) It conforms to the Canadian Association of Broadcasters’ (CAB) Code of Ethics and to all programming standards endorsed by the Canadian Radio-television and Telecommunications Commission (CRTC), including the CAB Violence Code and the CAB Equitable Portrayal Code.

⁷ The CMF will use the Canadian Audio-Visual Certification Office’s definition of “Advertising” in section 4.03.08 of the [Canadian Film or Video Tax Credit Application Guidelines](#) as its guide in interpreting the parameters of a “sponsored production”.

⁸ Cultural award shows and galas that meet the CMF’s Variety and Performing Arts definition shall be considered eligible programming.

- b) If applicable, it must be made meaningfully and coherently with the DM Component(s). What is meaningful and coherent in a particular instance will depend on the nature of the TV Component, the relative balance between the investment of both the TV Component and DM Component(s) and whether the project provides a coherent experience which cumulatively augments the television viewer's engagement to the project as a whole. The CMF will decide on a case-by-case basis whether the Television Component was made meaningfully and coherently with the DM Component(s).
- c) It is a new production. A new production is one which is not substantially a repackaged version of a previously-produced production. For a series, the CMF will consider the entire cycle to determine if the TV Component is a repackaging (e.g., some "best of," "making-of" and/or "catch-up" episodes may be permitted). Television Components comprised mainly of stock footage may be new productions provided the footage is not merely repackaged in whole or large segments for the TV Component.
- d) When working with First Nations, Métis and Inuit communities, cultures, concepts and stories, the CMF encourages all Applicants to respect the guiding principles and best practices set out in the [On-Screen Protocols & Pathways Media Production Guide](#).
- e) The CMF encourages all Applicants to implement more environmentally-sustainable practices and cleaner technologies – and reduce the use of unsustainable resources – in the development, production and exploitation of their Projects.

3.2.TV.5 Broadcaster Development Fee Thresholds

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 (Development Fee 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 as defined in 2.1.1 above).
- 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), or the Canadian Broadcaster; then the Development Fee Threshold and the CMF contribution are calculated on the total financing of the Eligible Costs minus third-party financing.

For clarity, the Development Fee Threshold will be calculated on the Project's combined Eligible Costs (e.g., both Television and Digital Media Components) and will be submitted through one single application budget.

3.2.DM Digital Media Components

A Digital Media Component of an Eligible Project must be an audio⁹, audiovisual, multimedia, or interactive promotional work that:

- a) Is associated with and derived from the Television Component that is funded by the CMF;
- b) Is made available to the Canadian public by way of a digital network, including internet and mobile;
- c) Provides a coherent digital or social media experience to the audience before, during or after the broadcast of the Television Component, expands the television viewer's experience beyond the Television Component and aims to augment engagement and discoverability towards the Television Component; and
- d) Meets either one or a mix of the following activities:
 1. Interactive or linear original content related to the Television Component but created specifically to be consumed on digital media platforms.
 2. Promotion, marketing and discoverability activities and applications using digital and social media aimed at locating, leveraging or building audiences.
 3. Interactive online activities or applications providing a synchronised experience during the broadcast of the Television Component.

3.2.DM.1 Canadian Content

A Digital Media Component must meet the following criteria:

- a) Its underlying rights are owned, and significantly and meaningfully developed, by Canadians.
- b) It is produced in Canada.

Digital media coproductions are eligible if they comply with the [Framework for international digital media coproduction](#).

3.2.DM.2 Ineligible Content

The following is a non-exhaustive list of types of content that are not eligible as a Digital Media Component includes: industrial, corporate, curriculum-based projects, and system software.

A work that consists primarily of existing content reused on new platforms (such as the online streaming/broadcast of existing television programs) is not an eligible Digital Media Component.

3.2.DM.3 Canadian Ownership and Control

A Digital Media Component must meet the following criteria:

- a) It is under Canadian ownership and Canadian executive and creative control.
- b) It is under the financial control of Canadian citizens or permanent residents.
- c) The Applicant retains and exercises all effective controls or approvals consistent with those of a producer.

⁹ For example, podcasts, audio books, smart speaker applications.

- d) The Applicant owns all rights (including copyright) and options necessary for the development, production and distribution of the DM Component in Canada and abroad (with appropriate case-by-case exceptions for a purchased format), and retains an ongoing financial interest in the DM Component.

Note: These criteria shall be interpreted so as to allow international coproductions that have an acceptable degree of Canadian ownership and control to access the CMF. Digital media coproductions are eligible if they comply with the [Framework for international digital media coproduction](#).

3.2.DM.4 Miscellaneous Requirements

A Digital Media Component:

- a) It must be made meaningfully and coherently with the TV Component. What is meaningful and coherent in a particular instance will depend on the nature of the DM Component(s), the relative balance between the investment of both the TV Component and DM Component(s) and whether the project provides a coherent experience which cumulatively augments the television viewer's engagement to the project as a whole. The CMF will decide on a case-by-case basis whether the Television Component was made meaningfully and coherently with the DM Component(s).
- b) Cannot contain elements of excessive violence, sexual violence, or sexual exploitation or elements which are obscene, indecent or child pornography within the meaning of the Criminal Code (as amended from time to time), or libellous or in any other way unlawful.