



CANADA
MEDIA FUND

FONDS DES MÉDIAS
DU CANADA

DEVELOPMENT ENVELOPE MANUAL 2023-2024

TABLE OF CONTENTS

A. INTRODUCTION	3
A.1 SUMMARY OF RECENT CHANGES	3
B. OVERVIEW	4
B.1 BACKGROUND	4
B.2 WHAT IS A DEVELOPMENT ENVELOPE ALLOCATION?	4
B.2.1 Broadcaster Ownership Groups	4
B.2.1.1 Change of Broadcaster Ownership	5
B.3 ROLE OF THE BROADCASTER	5
B.3.1 Communication with Broadcasters and the CMF Website	5
B.4 ROLE OF THE APPLICANT	5
B.5 THE ROLE OF CMF AND TELEFILM — CMFPA	5
C. 2023-2024 DEVELOPMENT ENVELOPE ALLOCATION MANAGEMENT POLICIES	7
C.1 DEVELOPMENT ENVELOPE ALLOCATION AGREEMENT LETTERS	7
C.2 DEVELOPMENT ENVELOPE CONTRIBUTIONS	7
C.2.1 Broadcaster Agreement Form (Development Envelopes)	7
C.3 CMF FUNDING APPLICATION DEADLINES	8
C.3.1 First Closing Date	8
C.3.1.1 75% Spend Requirement	8
C.3.1.2 75% Spend Requirement Exemptions	8
C.3.2 Final Closing Date	9
C.4 GENDER BALANCE REQUIREMENT	9
C.5 IN-HOUSE AND AFFILIATED PROGRAMMING	9
C.6 BROADCASTER STATUS REPORTS	10
C.7 REUSING REPAID DEVELOPMENT ADVANCES	10
C.8 REALLOCATING DEVELOPMENT ENVELOPE ALLOCATIONS DUE TO PROJECT INELIGIBILITY	10
D. DEVELOPMENT ENVELOPE PENALTIES FOR NON-COMPLIANCE WITH OBLIGATIONS AND REQUIREMENTS	12
D.1 GENDER BALANCE REQUIREMENT PENALTY	12
D.2 POST-ALLOCATION WITHDRAWAL PENALTY	12
E. CALCULATION OF 2023-2024 DEVELOPMENT ENVELOPES	13
E.1 ENVELOPE BUDGETS ARE SET	13
E.1.1 Alternative Access to the Development Envelope Program	13
E.2 DEVELOPMENT FACTORS AND WEIGHTS ARE DETERMINED	13
E.2.1 Historic Performance Factor	13
E.2.2 Diverse Community Development Fee Factor	14
E.2.3 Performance Envelope Factor	15
E.3 DEVELOPMENT FACTOR SHARES ARE DETERMINED	15
E.4 MINIMUM ALLOCATION	15
E.5 INTERPRETING DEVELOPMENT ENVELOPE ALLOCATION CALCULATION RESULTS	15
F. CALCULATION OF 2024-2025 DEVELOPMENT ENVELOPES AND ALLOCATIONS	16
F.1 DE FACTORS AND WEIGHTS FOR 2024-2025	16
G. CONTACTS	17
H. 2023-2024 DE CALENDAR	18
SCHEDULE A – DISPUTE RESOLUTION PROCESS	19

A. INTRODUCTION

The Development Envelope Manual (the “Manual”) is intended to provide Broadcasters with a customized guide to the Development Envelope (“DE”) Program, details on the methodology by which DE Allocations (defined below) are calculated, as well as the policies which govern their management and usage. The Manual is intended to complement the [Development Envelope Program Guidelines](#) (the “Guidelines”), which contain information on project funding eligibility criteria. It is strongly recommended that Broadcasters¹ with a DE Allocation familiarize themselves with the Development Envelope Program Guidelines, which are available on the CMF website at cmf-fmc.ca.

Broadcasters with DE Allocations, as well as everyone on the CMF mailing list, will be notified by email if updates are made during the fiscal year.

The Manual is provided for informational purposes only. In all questions of interpretation of the Manual, the CMF’s interpretation is final. The determination of the amount of each Broadcaster’s DE Allocation in each fiscal year is made by the CMF alone and is final.

Terminology used but not defined in the Manual shall have the meaning as defined in the [Guidelines](#).

A.1 SUMMARY OF RECENT CHANGES

Below is a list of recent changes to the DE system which have been incorporated into this document and in the Guidelines and Business Policies:

1. CMF’s Narrative Positioning Policy

- a. Beginning in 2023-2024, Broadcasters need to ensure that Projects funded from their Envelope Allocations comply with the CMF’s [Narrative Positioning Policy](#).

2. Gender Balance Requirement

- a. Beginning in 2023-2024, the Gender Balance requirement no longer applies to Small Broadcasters (see section C.4)..

3. COVID-19 Flexibility Measures to CMF Programs

- a. The CMF [2023-2024 COVID-19 Flexibility Measures to CMF Programs](#) (“**Flexibility Measures**”) apply to 2023-2024 DE Allocations.
 - i. The First Closing Date Development Allocation commitment reduction has been removed. Broadcasters are again obligated to spend 75% of their DE Allocations by the First Closing Date.

If there is a conflict between any of the policies contained in the Development Envelope Manual and policies in either of the Flexibility Measures documents, the policies in the Flexibility Measures documents shall prevail.

¹ For the sake of simplicity, this manual refers to envelope holders as “Broadcasters” whether they are a broadcasting ownership group or an independent broadcaster.

B. OVERVIEW

B.1 BACKGROUND

The DE system is designed to provide funding predictability to both the broadcaster and production communities by allocating funds to Broadcasters at the beginning of each fiscal year based on selected performance criteria. Broadcasters can then choose which of their financed development projects will be submitted for funding approval, bringing the decision-making process as close as possible to market forces.

B.2 WHAT IS A DEVELOPMENT ENVELOPE ALLOCATION?

A Development Envelope Allocation (or, “DE Allocation”) is a portion of CMF funding made available to a Broadcaster² to commit to Eligible Projects (as defined in the [Development Envelope Program Guidelines](#)) in the form of a development advance. The amount of funds allocated to each Broadcaster is calculated annually, based on development factors (“Factors”), as determined by the CMF Board of Directors. DE Allocation calculations are made on the basis of three Factors: Historic Performance, the Diverse Community Development Fee Factor, and the earned share of current-year Performance Envelopes Allocations.

At the beginning of the CMF fiscal year, Broadcasters receive an DE Allocation letter outlining the amount of funding that has been made available to them.

Development Envelope Allocations may only be committed to Eligible Projects that meet the CMF’s definition of any of these four eligible genres: documentary, drama, variety & performing arts and children & youth programs. A Broadcaster has 100% flexibility to allocate the DE Allocation in any of the aforementioned four genres.

The CMF calculates the DE Allocations each fiscal year to account for changes in Broadcaster performance within the specific Factors. This also gives the CMF an opportunity to modify the nature of the Factors used in DE Allocation calculations (as well as their relative weight, if necessary) to ensure the system remains in harmony with the CMF’s mandate and objectives.

DE Allocations must be committed to Eligible Projects within the same fiscal year they are allocated to Broadcasters. Funds that remain uncommitted by the published deadline are removed from the Broadcaster’s DE Allocation.

For a project to be funded from a DE Allocation, the project must receive development fees from eligible Broadcasters that cumulatively meet or exceed the applicable development fee threshold amount. Complete details are included in the Development Envelope Program Guidelines, which are available at cmf-fmc.ca.

It is important to note that Allocations are not paid directly to Broadcasters. Rather, Allocations are committed to Eligible Projects by Broadcasters and these Allocations are paid out by the CMF directly to the Applicant of the respective Eligible Project.

B.2.1 Broadcaster Ownership Groups

Broadcasters affiliated by ownership shall be allocated an Allocation as a group to that parent company (and by language, if applicable). An eligible service affiliated to the group may use the group’s DE Allocation to support licensed projects. Broadcasters that are independent of a group (e.g., TVO or Télé-Quebec) will continue to receive an individual DE Allocation.

² For clarity, a Broadcaster meets the definition in section 2.1.1 of the [Development Envelope Program Guidelines](#).
DEVELOPMENT ENVELOPE MANUAL 2023-2024 | APRIL 2023

Where a Broadcaster's ownership is shared by more than one ownership group, the CMF will review a signed letter from all relevant parties concerned and make any exceptions to its ownership group allocation policy on a case-by-case basis, in its sole discretion, advising the CMF of the appropriate ownership group designation for Allocation management purposes.

The CMF publishes a list of Broadcasters that have received DE Allocations in the current year. This list can be found at the CMF website under the "[Envelope Administration](#)" section.

B.2.1.1 Change of Broadcaster Ownership

Where the ownership of an individual service changes and the change is approved by the CRTC, the parties involved must notify the CMF of the change and direct the CMF to effect this change to the applicable DE Allocations. The notification and direction must be in writing and signed by both parties. It should include details as to the transfer of licences for CMF-funded projects so that the CMF can properly assign DE Allocation calculation credit. Absent such notification and direction, the CMF will not be responsible for any changes to the affected Allocations.

B.3 ROLE OF THE BROADCASTER

It is the responsibility of Broadcasters to maintain strong channels of communication with the Applicants of those projects to which they have committed DE Allocations and to follow up with them regarding the status of those projects in relation to CMF deadlines and eligibility reviews.

It is the responsibility of the Broadcaster to provide the applicable documentation required for Applicants to appropriately complete funding applications, and it is the responsibility of the Broadcaster to subsequently fulfill all of its CMF project development fee obligations.

B.3.1 Communication with Broadcasters and the CMF Website

The CMF maintains a list of all Broadcasters with DE Allocations and their associated contacts. When calculation process documents are updated each year, or when significant Development Envelope Allocation policy clarifications are made, the CMF emails everyone on its contact list with this information. Additionally, the CMF posts on its website all such materials, as well as DE Allocations and regular updates on projects accepted for funding.

Broadcasters are encouraged to notify the CMF of changes to their contact information and are encouraged to check cmf-fmc.ca at regular intervals in case important notifications or correspondence have otherwise been missed.

B.4 ROLE OF THE APPLICANT

Once an Applicant has secured a commitment from a Broadcaster for a DE Allocation, it is the responsibility of the Applicant to provide the CMF with all required documentation for funding application purposes ahead of appropriate deadlines. The Applicant must also complete the development project in accordance with the Guidelines.

The CMF will communicate initially with the Applicant (not the Broadcaster) in matters relating to a Project's application.

B.5 THE ROLE OF CMF AND TELEFILM — CMFPA

The CMF has a services agreement with the CMF Program Administrator ("CMFPA") at Telefilm Canada. As per this arrangement, the CMFPA handles almost all activities related to the management and administration of project funding applications on behalf of the CMF. The administration of DE Allocations, however, is managed jointly by CMF and CMFPA staff.

CMF staff manage all aspects of the Allocation calculation process. CMF staff is the primary point of contact where DE Allocation policy issues or questions arise.

Once DE Allocations are calculated and allotted, CMFPA staff manage DE Allocation accounts, and ensure funds are released from DE Allocations to eligible projects in accordance with the CMF's policies.

C. 2023-2024 DEVELOPMENT ENVELOPE ALLOCATION MANAGEMENT POLICIES

The CMF has a number of policies governing the manner in which Broadcasters must manage their DE Allocations.

C.1 DEVELOPMENT ENVELOPE ALLOCATION AGREEMENT LETTERS

At the beginning of the fiscal year, Broadcasters with Allocations receive an Allocation agreement letter outlining how much funding has been made available to them. Included in the agreement letter are the terms and conditions by which the Broadcaster is permitted to use its DE Allocation, as defined below. Broadcasters using the Alternative Access option must also abide by the terms and conditions, as described below in the PE Manual and as applicable.

These Allocations are conditional upon the CMF receiving resources at the budget level determined for the fiscal year. No CMF funds will be payable from a DE Allocation to an Eligible Project until the associated Broadcaster's DE Allocation agreement letter has been fully executed.

C.2 DEVELOPMENT ENVELOPE CONTRIBUTIONS

CMF DE funding contributions come in the form of a repayable advance.

Broadcasters can decide what portion of a DE Allocation to commit to an Eligible Project, up to specified Maximum Contribution Amounts delineated in the Guidelines.

An Eligible Project may receive CMF funding contributions from more than one DE Allocation.

C.2.1 Broadcaster Agreement Form (Development Envelopes)

A "Broadcaster Agreement Form ("BAF") (Development Envelope)" is a document that provides authorization from a Broadcaster to an Applicant to apply to the CMF for a portion of a DE Allocation for a given project. BAFs are an essential component of the documentation required for all project applications. The Applicant creates the BAF in the Dialogue portal³ and submits it to the Broadcaster for approval.

Among other things, the BAF (Development Envelope) includes the following:

- the amount of funds the Broadcaster is contributing from a DE Allocation to a given project,
- basic terms of the development agreement; and;
- Acceptance of the terms of the [CMF's Narrative Positioning Policy](#) for the given project.

In order for the development fee to be considered eligible and thereby count towards a Project application's development fee threshold requirement, a BAF must be completed and received by the CMF. The Historic Performance Development Factor is based on eligible development fees and the activity they trigger. Therefore, a BAF (Development Envelope) must be completed by any broadcaster who wishes to have their CMF-funded project development fee activity count towards Development Envelope allocation calculation credit.

³ Contact CMF for access to the portal.

C.3 CMF FUNDING APPLICATION DEADLINES

Application deadlines are dates by which complete applications for CMF funding must be received by the CMF. Application deadlines are imposed by the CMF to ensure that CMF funds are committed prior to fiscal year-end and that the calculation of DE Allocations for the following year may be completed in a timely manner.

Note: project applications received after the appropriate deadline will be rejected by the CMF regardless of whether or not a Broadcaster committed DE Allocation funds to that project in a timely manner. The impact that late or rejected applications will have on the calculation of a Broadcaster's future development envelope will not be a consideration for the CMF.

C.3.1 First Closing Date

Projects submitted after a given deadline (the "First Closing Date") cannot apply for CMF production funding in the same CMF fiscal year that the development application was submitted.

The First Closing Date for 2023-2024 is October 16, 2023.

C.3.1.1 75% Spend Requirement

English-language DE Allocation holders who have an Allocation greater than \$1 million and French-language DE Allocation holders who have an Allocation greater than \$500,000 are required to commit at least 75% of that DE Allocation by the First Closing Date. The exact dollar amount that Allocation holders are obligated to commit is specified in each appropriate Broadcaster's DE Allocation letter.

For the purposes of measuring compliance with this policy, the CMF will not consider DE Allocation monies as having been committed until the associated project applications are received.

Any portion of the 75% amount not committed by the First Closing Date will be removed from the Broadcaster's Allocation.

C.3.1.2 75% Spend Requirement Exemptions

A Broadcaster may apply to the CMF for a waiver of the 75% Spend Requirement in the Development Envelope Program, if, as a result of a significant corporate event involving the Broadcaster, the Broadcaster cannot reasonably be expected to make commitments to projects to be funded from the Allocation that will allow a sufficient number of applications to be made to satisfy the 75% Spend Requirement by the First Closing Date.

For clarity, the determination of whether a Broadcaster was involved in a corporate event and the number of times the Broadcaster will be allowed to claim a Closing Date Exemption, will be determined by the CMF in its sole discretion. For reference, the CMF shall determine when a corporate event has occurred by evaluating whether there has been a significant change to the corporate structure of the Broadcaster, including, but not limited to, mergers, acquisitions or other consolidation transactions.

Each application for a waiver must satisfy the following requirements:

- It must be made within a reasonable period of time before the First Closing Date in order to provide the CMF with sufficient time to consider the application before that date;
- It must describe the significant corporate event that is the basis for the application;
- It must set out the reasons as to why the Broadcaster cannot reasonably be expected to satisfy the 75% Spend Requirement; and

- It must include a timetable for committing the remaining funds in the Allocation over the period from the application date to the Final Closing Date (defined below) that takes into account the policy objectives that the 75% Spend Requirement was designed to achieve and a commitment from the Broadcaster to use its remaining Allocation in accordance with the timetable.

Decisions respecting applications for waivers of the 75% Spend Requirement will be made by the CMF at its sole discretion.

C.3.2 Final Closing Date

The date by which all DE project applications must be received by the CMF is the “Final Closing Date”. The Final Closing Date for 2023-2024 is December 7, 2023. Any funds remaining in an Allocation for which the CMF has not received a complete application by the Final Closing Date will be removed.

C.4 GENDER BALANCE REQUIREMENT

Broadcasters are required to direct at least fifty percent (50%) of their respective Development Envelope Allocation dollars to Eligible Projects where, of all the cumulative Producer⁴, Director⁵ and Writer⁶ positions on a Eligible Project, forty percent (40%) of the total number of paid positions are held by individuals that identify as women. Small Broadcasters are exempt from this requirement (see section C.2.8 of the [Performance Envelope Manual](#)).

The CMF shall rely on the self-identification information associated with each individual’s PERSONA-ID number to determine eligibility to meet CMF Gender Balance Requirement. For more information about Persona-ID, please visit the [CMF’s Persona-ID page](#).

For details on the Gender Balance obligation penalty, please see [section D.1](#).

C.5 IN-HOUSE AND AFFILIATED PROGRAMMING

Affiliated programming refers to projects produced by a Broadcaster-affiliated production company, and which are licensed by its affiliated Broadcaster(s). In-house programming refers to a project produced and owned by the Broadcaster themselves. For further details on the CMF’s definition of a Broadcaster-affiliated production company, please refer to the [Development Envelope Program Guidelines](#).

Broadcasters are limited in the amount of their DE Allocation that they are permitted to commit to in-house and affiliated programming to a combined 25% of their Development Envelope Allocation. Broadcasters are notified of their respective in-house and affiliated programming DE Allocation commitment allowances in their Development Envelope Allocation agreement letter.

Broadcasters who are eligible for the “Small Broadcaster exemption” (see section C.2.8 of the [Performance Envelope Manual](#)) are exempt from this limit.

⁴ “Producer” shall be defined as Producer, Executive Producer/Showrunner, Executive Producer, Co-executive Producer, Supervising Producer, Associate Producer, or Creative Producer positions.

⁵“Director” shall be defined in accordance with Guild collective agreements and ascribed the same meaning as commonly understood in the broadcast, television and film industries.

⁶“Writer” shall be defined in accordance with Guild collective agreements and ascribed the same meaning as commonly understood in the broadcast, television and film industries.

C.6 BROADCASTER STATUS REPORTS

Broadcaster Status Reports are available on demand through the Dialogue portal.⁷ The purpose of the report is to inform Broadcasters of those project applications that have been received to date by the CMF to which the Broadcaster has committed CMF DE funds. Additionally, the development report lists summary and project by project information including the following:

- project status (Recommended, Signed, etc.);
- eligible development fee (paid by that Broadcaster);
- broadcaster's contribution from their DE allocation;
- budget (for signed projects);
- Diverse Community Factor Flag
- Gender Parity eligibility designation; and
- in-house and affiliated programming designation.

Broadcaster status reports allow a Broadcaster to stay abreast of their DE Allocation deadline obligations, as well as monitor the relevant statistics that the CMF has recorded with respect to the projects supported by that Broadcaster via their Development Envelope Allocation.

Broadcasters are strongly encouraged to notify the CMF of any discrepancies or errors contained within these reports as soon as possible.

C.7 REUSING REPAID DEVELOPMENT ADVANCES

When a development project subsequently applies for, and receives CMF production financing, the Applicant must repay CMF's development advance.

If a development advance is returned to the CMF before the Final Closing Date in the same fiscal year in which the project initially received development financing, the amount of that development advance can then be re-allocated to a different project until the Final Closing Date.

For example:

Project "x" is allotted a \$1,000 development advance from a Broadcaster's DE Allocation in April 2023 (2023-2024 fiscal year). When that \$1,000 advance is paid back to the CMF in September 2023, it is returned to the Broadcaster's DE Allocation and can then be re-allocated to a different project (which, of course, must apply before the Final Closing Date).

C.8 REALLOCATING DEVELOPMENT ENVELOPE ALLOCATIONS DUE TO PROJECT INELIGIBILITY

On rare occasions, a project to which a Broadcaster has committed DE Allocation funds will be deemed ineligible for CMF funding or the funding amount may be reduced. In these cases, the committed DE Allocation funds are returned to the Broadcaster's appropriate language Allocation. When projects are rejected prior to the Final Closing Date for applications, the Broadcaster may re-commit those funds to new or existing projects. If funds are returned after the Final Closing Date but prior to the end of the fiscal year, the affected Broadcaster may be permitted to reallocate the associated DE Allocation funds to other existing CMF projects. Such reallocations are addressed on a case-by-case basis and at the CMF's discretion.

⁷ Contact CMF for access to the portal.

Reallocations of this nature may be subject to maximum in-house and affiliated programming spending capacity rules as deemed appropriate.

Reallocations are not permitted for funds committed to applications deemed incomplete after the Final Closing date.

D. DEVELOPMENT ENVELOPE PENALTIES FOR NON-COMPLIANCE WITH OBLIGATIONS AND REQUIREMENTS

The CMF reserves the right to make adjustments to the amount of a Broadcaster's DE Allocation in a subsequent fiscal year, should the Broadcaster fail to meet any of its obligations to eligible projects to which it contributes development fees for CMF funding in any prior fiscal year, or if the Broadcaster breaches any provision of the [Development Envelope Program Guidelines](#). Please note that an adjustment to one Broadcaster's DE Allocation will not result in an increase to other Broadcasters' DE Allocations.

Furthermore, if after making reasonable enquiries the CMF finds that a Broadcaster is practicing unfair dealings with an Applicant, the CMF reserves the right to impose (in its sole discretion) a penalty on such Broadcaster's use of its DE Allocation, (including but not limited to a reduction in the amount of, or suspension of use of or access to the Allocation).

D.1 GENDER BALANCE REQUIREMENT PENALTY

If a Broadcaster with a DE Allocation does not meet the 50% 2023-2024 Gender Balance Requirement as explained in section C.4, the CMF will impose a dollar-for-dollar penalty during the next year's DE Allocation calculations.

For example, if a Broadcaster has a \$100,000 DE Allocation, and a \$50,000 Gender Balance Requirement, and commits only \$20,000 towards Eligible Projects that meet the CMF's Gender Balance Requirement threshold, the CMF will reduce that Broadcaster's DE Allocation by \$30,000 the following year.

D.2 POST-ALLOCATION WITHDRAWAL PENALTY

In the event a broadcaster withdraws a Development Fee payment to a project that generated credit and an Allocation amount after such broadcaster's DE Allocation calculations have been completed, that broadcaster's DE Allocation will be adjusted by the CMF according to one hundred percent (100%) of the value of the credit. If insufficient funds remain in the Allocation for the full adjustment to be made, the adjustment will be made to the next possible DE Allocation.

E. CALCULATION OF 2023-2024 DEVELOPMENT ENVELOPES

E.1 ENVELOPE BUDGETS ARE SET

The amount of funding budgeted for the DE Program, divided by language (“Envelopes”), is determined by the CMF Board of Directors each fiscal year.

E.1.1 Alternative Access to the Development Envelope Program

Broadcasters that have not generated a DE Allocation in a given year are eligible for Alternative Access to the Development Envelope Program.

Prior to the primary English and French Development Envelopes being allocated to Broadcasters, the separate budget for the Alternative Access portion of the DE Program is divided into its own English and French Envelopes.

Eligible Broadcasters may utilize this Alternative Access via the appropriate English or French Envelope on a first-come, first-served basis, by providing an Eligible Development Fee and a BAF with a DE commitment to an Eligible Project, until the entire Alternative Access budget is spent.

Eligible Broadcasters are limited to \$20,000 in total DE commitments in using the Alternative Access portion of the DE Program in 2023-2024.

E.2 DEVELOPMENT FACTORS AND WEIGHTS ARE DETERMINED

Broadcasters compete against one another for the available funding in each Envelope according to different categories (i.e., Performance Factors) determined by the CMF Board of Directors. Broadcasters are automatically included in DE Allocation calculations if the Broadcaster has earned credit through the Performance Factors⁸.

Development Envelope Allocations were calculated on the basis of the following Performance Factors in 2023-2024:

- Historic Performance in Development Envelope Program financing (previous three fiscal years) (50% Factor weight);
- Diverse Community Development Fee Factor (10% Factor weight); and
- Earned share of total Performance Envelope Allocations for the same funding year (40% Factor weight).

It is important to note that from year to year, the CMF may eliminate or add a new Development Factor for a given fiscal year’s Allocation calculations based on the changing nature of the CMF’s mandate and objectives.

E.2.1 Historic Performance Factor

The purpose of the Historic Performance Factor in DE Allocation calculations is to credit Broadcasters who trigger CMF-funded development projects.

Historic Performance refers to the amount of CMF DE funding historically accessed or triggered as a result of a Broadcaster contributing development fees to DE-funded applications. In the calculation of the Historic Performance Factor, a Broadcaster’s credit is determined by the cumulative amount of CMF Development Envelope funds triggered by that

⁸ Broadcasters should notify the CMF if they do not want to automatically participate in DE Allocation calculations.

Broadcaster’s development fees over a three (3) year period⁹. The three (3) year period that is used to determine historic performance credit for the 2023-2024 Envelope Allocations is, 2019-2020, 2020-2021, and 2021-2022.

If more than one Broadcaster contributes development fees to an application, the Historic Performance Factor credit is allocated *pro rata* according to each Broadcaster’s share of the total development fees. It is very important to note that all Broadcasters contributing a development fee to an application receive Historic Performance Factor credit for the CMF funds triggered, regardless of whether or not they contributed CMF monies from a Development Envelope Allocation.

For example:

APPLICATION ‘X’	DEVELOPMENT FEE	% SHARE OF DEVELOPMENT FEE	DEVELOPMENT ENVELOPE CONTRIBUTION	HISTORIC PERFORMANCE CREDIT
BROADCASTER A	\$4,000	80%	\$5,000	\$5,000 x 80% = \$4,000
BROADCASTER B	\$1,000	20%	\$0	\$5,000 x 20% = \$1,000
TOTAL	\$5,000	100%	\$5,000	\$5,000

Historic Performance derived from the Development Envelope Program is eligible for credit in calculations for DE Allocations and no other programs are eligible.

Development advances that are repaid and re-used in the same fiscal year count in the calculation of historic performance.

E.2.2 Diverse Community Development Fee Factor

The Diverse Community Development Fee Factor has a 10% DE Factor Weight in both the English- and French language markets.

Credit for the Diverse Community Development Fee Factor is based on the Eligible Development Fees provided to “Diverse Community Projects” (defined below) in the 2022-2023 Development Envelope Program. Broadcasters will only receive credit for this Factor based on information noted in an Applicant’s application and confirmed by director and shareholder records in their PERSONA-ID accounts.

A Diverse Community Project is a Project in which at least 51% of the ownership and control of both the Applicant company and copyright in the Project is retained by a member (or members) of a Diverse Community.

For the purposes of the 2023-2024 DE Allocations, 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; and/or
- d) Persons with disabilities/ Disabled persons.

The CMF defines each of these groups in more detail in [Appendix A](#) of its Program Guidelines. While the CMF takes efforts to provide Applicants and Broadcasters with certainty around its defined terms, the CMF shall make the final determination on eligibility to this Factor to ensure the spirit and intent of its policies is upheld. Applicants and Broadcasters are encouraged to come forward ahead of time and have a discussion with the CMF on their specific circumstances.

⁹ For calculation purposes, an “eligible development fee” is one that meets the criteria set forth in the [Development Envelope Program Guidelines](#) and is accompanied by a completed “Broadcaster Agreement Form” (Development).

E.2.3 Performance Envelope Factor

The Performance Envelope Factor is based on the Broadcaster's share of the PE Allocation for that year, the weight of the factor is 40% of the English or French DE budget. A Broadcaster's earned share of total Performance Envelopes in 2023-2024, by language, translates directly into a 2023-2024 DE Allocation weighted for this Factor. For example, if a Broadcaster earned a 23.6% share of total English or total French PE dollars for 2023-2024, then the Broadcaster would earn 23.6% of the 40% allocated to the PE Factor.

E.3 DEVELOPMENT FACTOR SHARES ARE DETERMINED

Within each Envelope, statistics are then compiled and evaluated in each of the Development Factors. These statistics determine the share of available funding allocated to each Broadcaster for a given Development Factor. The amount of credit a Broadcaster earns relative to all other Broadcasters for a given Factor is determined and then multiplied by the share of available funding in the Development Envelope program within a given Envelope. A Broadcaster's allocated share of funding for each Envelope equals that Broadcaster's Envelope Allocation..

For example, if the English Development Envelope Program had a \$6,000,000 Allocation:

FACTOR	WEIGHT	VALUE OF FACTOR	CREDIT SHARE EARNED BY BROADCASTER X*	ENVELOPE ALLOCATION
PERFORMANCE ENVELOPE	40%	\$2,400,000	10%	\$240,000
HISTORIC PERFORMANCE	50%	\$3,000,000	20%	\$600,000
DIVERSE COMMUNITY DEVELOPMENT FEES	10%	\$600,000	20%	\$120,000
ENGLISH ALLOCATION EARNED BY BROADCASTER X				\$960,000

E.4 MINIMUM ALLOCATION

To ensure that Broadcasters receive a useful Allocation, Broadcasters earning an Envelope share of less than \$20,000 will not be eligible for a DE Allocation. Broadcasters that do not receive a DE Allocation are eligible to utilize the Alternative Access option.

E.5 INTERPRETING DEVELOPMENT ENVELOPE ALLOCATION CALCULATION RESULTS

Fluctuations in a Broadcaster's DE Allocation from year to year could be the result of:

- changes in the overall CMF Program Budget;
- changes in the Development Factors, their relative weights, or in the Factor metrics used in establishing credit;
- changes in the amount of credit a Broadcaster generates for any of the Development Factors;
- changes in a Broadcaster's performance relative to the total, in either Factor; and/or
- an increase or decrease in the number of Broadcasters competing for Allocations in this program.

F. CALCULATION OF 2024-2025 DEVELOPMENT ENVELOPES AND ALLOCATIONS

F.1 DEVELOPMENT ENVELOPE FACTORS AND WEIGHTS FOR 2024-2025

	2023-2024	2024-2025
HISTORIC PERFORMANCE	50%	50%
PERFORMANCE ENVELOPE	40%	40%
DIVERSE COMMUNITY DEVELOPMENT FEES	10%	10%

G. CONTACTS

Canada Media Fund

Senior Manager, Program Reporting

info@cmf-fmc.ca

Phone: 416-214-4400

Toll-free: 1-877-975-0766

cmf-fmc.ca

Telefilm Canada

Canada Media Fund Program Administrator (CMFPA)

For funding application questions and details, please click [here](#).

H. 2023-2024 DE CALENDAR

This calendar is a general guide only and is subject to change. Please refer to cmf-fmc.ca for date-specific details each fiscal year.

April 2023	<ul style="list-style-type: none">▪ April 17th: Opening date for Development Envelope project applications.▪ On or before April 24th: Development Envelope allocations published on CMF website
October	<ul style="list-style-type: none">▪ October 16th: First Closing Date (75%) for larger envelope holders.
December	<ul style="list-style-type: none">▪ December 7th: Final Closing Date for Development Envelope project applications.
February 2024	<ul style="list-style-type: none">▪ CMF sends Development historic performance statistics to be used in historic performance calculations for broadcaster feedback and sign-off.▪ Broadcaster sign-off of Historic Performance statistics due at CMF.▪ Broadcasters who did not meet the 50% Gender Balance obligations will be notified.
March 2024	<ul style="list-style-type: none">▪ CMF Board approves the program budget for the upcoming funding year.▪ Broadcaster status report detailing all funding year activity issued to each Broadcaster for feedback and sign-off.
April 2024	<ul style="list-style-type: none">▪ Development Envelope Allocation calculations are completed and cross-checked.▪ 2nd week: Development Envelope Allocation agreement letters issued to Broadcasters. New DE manual is published.

SCHEDULE A – DISPUTE RESOLUTION PROCESS

Identified below is the 4-step process should Broadcasters raise issues pertaining to DE calculations:

Stage 1: Broadcaster issues relating to envelope calculations or envelope policies are directed to the CMF. CMF Staff will examine the issue and any precedents. The Broadcaster will be informed of the decision in writing.

If a precedent does not already exist, the process will move to stage 2.

Stage 2: Should the Broadcaster be unsatisfied with the CMF's initial response or if it is determined that a precedent does not exist, a detailed briefing note regarding the issue will be prepared by CMF staff.

If issues are primarily administrative in nature, the Manager responsible for the type of issue will provide direction regarding the execution of a resolution. The Broadcaster will be informed of the Manager's decision in writing.

If the issue is not administrative, the process continues to stage 3.

Stage 3: If the issue is a matter of policy interpretation or if the Broadcaster is not satisfied with the decision at stage 2, the issue will be escalated to the EVP, Finance & Analytics ("**EVP**"), accompanied by a recommendation from the responsible Manager.

The Broadcaster will be informed of the EVP's decision in writing.

If the issue goes beyond administrative or policy interpretation, the process will continue to stage 4.

Stage 4: If the issue is a request for a policy change, it is escalated to the President and CEO, with a recommendation from the EVP. The decision of the President and CEO will be final unless she feels the matter merits further consideration by the CMF Board.

Once a final decision is rendered by the President and CEO, a formal letter will be sent to the Broadcaster.