



**DEVELOPMENT
PILOT
PROGRAM-
EXPERIENCED
PRODUCERS
GUIDELINES
2020-2021**

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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 these Guidelines CMF the interpretation shall prevail.

All Applicants 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 these 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 productions;
- Repayment of any funds already advanced, with interest;
- 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.

2. HOW THE DEVELOPMENT PILOT PROGRAM – EXPERIENCED PRODUCERS WORKS

2.1 INTRODUCTION

The Development Pilot Program – Experienced Producers (the “**DPPEP**” or “**Program**”), which forms part of the CMF’s Convergent Stream, allocates funding to Eligible Projects (defined in section 3.2 below) in the genres of Drama, Children & Youth and Documentary at the development stage without the involvement of a Canadian Broadcaster. The total amount of funding available in the Program is \$3M (divided on a 2/3 English and 1/3 French basis).

Eligible Projects are awarded funding on a first-come, first-served basis until resources for the Program are depleted or until the application deadline, whichever comes first. In the event that a large number of Projects are submitted on the same date, creating oversubscription, the CMF may distribute funding to those Projects deemed eligible on a proportional (pro-rated) basis, distribute funding via a selective process or elect to distribute funding in some other equitable manner, to be determined in the CMF’s sole discretion.

In order to be awarded funding through this Program, Applicants must submit their Project’s development-stage financial structure with confirmed sources of financing. The CMF will provide a dollar-for-dollar match of the Project’s non-CMF financing in the submitted and approved financial structure (subject to specific limitations) up to a per-project Maximum Contribution amount (see section 2.3.1).

Eligible Projects in this Program must be meant to be produced in the language applied for and Eligible Costs must be in accordance with section 2.3.2 below.

For clarity, only an eligible English- or French-language Television Component (defined in section 3.2.TV below) will be considered an Eligible Project in the DPPEP.

Eligible Applicants may apply to the Program with a maximum of one Eligible Project.

Affiliated Programming, In-house Programming (see section 2.1.1) and Eligible Projects with any commitment or attachment from a Canadian Broadcaster (see section 2.1.1) are not eligible in this Program.

2.1.1 Definitions Applicable to the Development Pilot Program – Experienced Producers: Canadian Broadcaster, In-house Programming and Affiliated Programming

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.

Broadcaster-Affiliated Programming

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.

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.

2.2 NATURE OF FUNDING CONTRIBUTION

Successful Applicants receive funding through the DPPEP in the form of a repayable advance. 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 Eligible Project (regardless of the platform for which it is produced) or upon other use of the script

or

ii) The transfer, sale, assignment, or other disposition of the script.

2.3 AMOUNT OF FUNDING CONTRIBUTION

2.3.1 CMF Contribution

The CMF’s Maximum Contribution for each Eligible Project funded through the Program shall be a dollar-for-dollar match of the Project’s non-CMF financing in the submitted and approved financial structure (subject to specific limitations noted below) up to a cap of \$100,000.

Limitations: in this Program, any financial support originating from the Applicant (or any of its Related Parties⁴) will be limited to a maximum cap of \$20,000, **unless it is from an Eligible Distributor⁵ related to the Applicant.** In these cases, the Applicant/Related Party financing cap of \$20,000 will not apply.

2.3.1.1 Combining Funds

While Eligible Projects submitted in the Program may not combine funding with any other CMF Development-stage Program, projects that have previously received funding from either the CMF’s Early-Stage Development Program or Predevelopment Program – that were not triggered by a Canadian Broadcaster – are eligible in the DPPEP.

2.3.2 Eligible Costs

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:

⁴Related Parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. In any question of interpretation, this term will be defined in accordance with the CMF’s *Accounting and Reporting Requirements*,

⁵As defined in the CMF’s *Appendix B: Business Policies, Standard Recoupment Policy*.

- 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
- Short non-broadcast demos
- 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

The following preproduction costs (these costs must not exceed 10% of the total development costs per project):

- Travel costs related to procuring international pre-sales
- Showrunner fees

Please refer to the CMF development budget template which outlines specific allowable costs.

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

2.3.2.1 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](#).

3. ELIGIBILITY FOR FUNDING

For clarity, Eligible Applicants (including all of the corporation’s affiliates, subsidiaries and Related Parties, defined above) may apply to the Program with a maximum of one Eligible Project.

3.1. ELIGIBLE APPLICANTS

An Eligible Applicant to this Program:

- a) Is a for-profit (i.e., a taxable Canadian corporation, within the meaning of Canada’s *Income Tax Act*) production company;
- b) Is Canadian-controlled as determined in sections 26 to 28 of the *Investment Canada Act*;
- c) Has its head office in Canada;
- d) Is in good standing with all applicable talent and industry associations and guilds;
- e) Meets the applicable required “Qualifying Project” (defined below) threshold for a given language and genre set out in the table below.

ELIGIBLE PROJECT LANGUAGE	REQUIRED QUALIFYING PROJECT THRESHOLD
<u>ENGLISH</u>	<ul style="list-style-type: none"> • Drama: <ul style="list-style-type: none"> ○ 5 separate Drama Qualifying Projects; OR • Children & Youth (live-action): <ul style="list-style-type: none"> ○ 4 separate Children & Youth live-action Qualifying Projects; OR • Children & Youth (animation): <ul style="list-style-type: none"> ○ 4 separate Children & Youth animation Qualifying Projects; OR • Documentary Series: <ul style="list-style-type: none"> ○ 5 separate Documentary series Qualifying Projects; OR • Documentary One-off: <ul style="list-style-type: none"> ○ 6 separate Documentary one-off Qualifying Projects; OR • Documentary POV⁶: <ul style="list-style-type: none"> ○ 4 separate Documentary POV Qualifying Projects.

⁶As defined in the CMF’s [Appendix A Definitions & Essential Requirements](#) document.

<u>FRENCH</u>	<ul style="list-style-type: none"> • Drama: <ul style="list-style-type: none"> ○ 10 separate Drama Qualifying Projects; <p>OR</p> • Children & Youth (live-action): <ul style="list-style-type: none"> ○ 8 separate Children & Youth live-action Qualifying Projects; <p>OR</p> • Children & Youth (animation): <ul style="list-style-type: none"> ○ 3 separate Children & Youth animation Qualifying Projects; <p>OR</p> • Documentary Series: <ul style="list-style-type: none"> ○ 16 separate Documentary series Qualifying Projects; <p>OR</p> • Documentary One-off: <ul style="list-style-type: none"> ○ 7 separate Documentary one-off Qualifying Projects <p>OR</p> • Documentary POV⁷: <ul style="list-style-type: none"> ○ 3 separate Documentary POV Qualifying Projects
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For clarity, “**Qualifying Projects**” must:

- (i) be documented by a Convergent Stream Production Financing Agreement, signed by both the Applicant and the CMF, and (ii) be related to Convergent Stream production-funding which the Applicant applied for in last 5 CMF fiscal years (between April 1, 2016 to present) (“**Eligible Time Period**”);
- have all the rights necessary for its production and exploitation owned and controlled by the Applicant. Further, Qualifying Projects must have been controlled creatively and financially by the Applicant during all phases of production, from development through post-production. Finally, the Applicant must have retained an ongoing financial interest in the Qualifying Project proportional to its ownership;
- have the same original language of production as the Eligible Project for which the Applicant is seeking Program funds;
- be in the same genre (and, if applicable, type of production within a genre) in order to meet the Qualifying Project threshold. However, the Eligible Project for which the Applicant is seeking Program funds may be in any of the genres (Drama, Children & Youth and Documentary) supported by the Program.

⁷As defined in the CMF’s [Appendix A Definitions & Essential Requirements](#) document.

3.2 ELIGIBLE PROJECTS

An Eligible Project in this Program is a TV Component in the same language as the Applicant's submitted Qualifying Projects and meets all applicable section 3.2 criteria and subsections.

Additionally, the Eligible Project shall not have any Canadian Broadcaster (defined in section 2.1.1 above) financial participation, attachment, association, involvement or connection in order to be eligible to the Program.

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.

Eligibility for funding in this Program does not guarantee Applicant or Project eligibility for further CMF development funding or CMF 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 (that are further explained in this section):

- the CMF's Essential Requirements;
- the CMF's Genre requirements (as set out in [Appendix A](#));
- ownership and control requirements; and
- miscellaneous requirements.

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

The Applicant must have acquired all rights and options to the Television Component, exclusive for at least 24 months, 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 certified 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](#).

3.2.TV.2 Genres of Programming

The DPPEP supports the following genres: drama, documentary, and children’s and youth programming. The CMF defines of 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 productions, 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,” award shows, galas, 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) 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.
- b) 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.
- c) The CMF encourages all Applicants to respect the guiding principles and best practices set out in the [On-Screen Protocols & Pathways Media Production Guide](#).