



CANADA
MEDIA FUND

FONDS DES MÉDIAS
DU CANADA

INTERACTIVE DIGITAL MEDIA (IDM) CONTENT PROGRAMS CORE GUIDELINES 2024-2025

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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, the CMF 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 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 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, Broadcaster Envelope credit, Evaluation Grid points and/or for statistical and analytical purposes.

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. INTERACTIVE DIGITAL MEDIA (“IDM”) CONTENT – CORE GUIDELINES – OVERVIEW

2.1 INTRODUCTION

When applying to the CMF for funding of an IDM content project¹, Applicants must comply with the eligibility criteria contained in the following key documents:

1. **IDM Content – Core Guidelines** (This document)
2. **IDM Content – Program Guidelines** (The specific program you wish to apply to)
3. [Appendix A – Definitions and Essential Requirements](#): Section 7 (CMF Definitions)
4. [Appendix B – Business Policies](#), specifically:
 - Chapter 1 (Default Policy)
 - Chapter 2 (Accounting and Reporting Requirements)
 - Chapter 3 (Producer’s Fee and Corporate Overhead (PFCO) Policy)
 - Chapter 5 (Insurance Policy)

While the IDM Content – Core Guidelines (“**Core Guidelines**”) set out *general eligibility* requirements applicable to *all* CMF IDM Programs, the IDM Content - Program Guidelines (“**Program Guidelines**”) set out the *specific* eligibility requirements for *each* CMF IDM Program.

The IDM Program Guidelines are:

- [Conceptualization Program](#)
- [Prototyping Program](#)
- [Commercial Projects Program](#)
- [Innovation and Experimentation Program](#)

¹ With the exception of some CMF Partnership Programs. Please see those specific Program Guidelines for full eligibility criteria.

3. IDM CONTENT – CORE GUIDELINES – ELIGIBILITY

3.1 ELIGIBLE APPLICANTS

In addition to any further requirements/qualifications noted in the specific IDM Content – Program Guidelines, an Eligible Applicant² to the CMF is either a for-profit (i.e., a taxable Canadian corporation, within the meaning of Canada's *Income Tax Act*)³ production company or Canadian Broadcaster (defined in [Appendix A](#)) that:

- a) If applicable, meets the specific Eligible Applicant criteria noted in specific Program Guidelines.
- 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) Has affirmed and attested that the Project submitted for funding complies with the [CMF's Narrative Positioning Policy](#).

AND

- f) 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 must own and control all rights necessary to produce and exploit the Eligible Project. Entities that provide services but do not own applicable rights are not eligible to apply to the CMF.

3.2 ELIGIBLE PROJECTS

In addition to any further requirements/qualifications noted in the specific IDM Content – Program Guidelines, an Eligible Project must be new interactive digital media content or application software attached to the Canadian cultural sector that meets the following requirements.

3.2.1 Canadian Elements

- a) Its underlying rights are owned, and significantly and meaningfully developed, by Canadians.
- b) It is conceptualized in Canada, with at least 75% of its Eligible Costs being Canadian costs.
- c) It is under Canadian ownership and Canadian executive, creative, and financial control.

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

² For the purposes of the IDM Content Guidelines, the term Applicant includes all co-applicants, and/or all Related Parties (defined in [Appendix A](#)), associated, affiliated or parent companies and/or individuals (as determined by the CMF at its sole discretion), as applicable.

³ Not-for-profit corporations are not eligible Applicants to the CMF, however coproductions or partnerships between for-profit and not-for-profit corporations may be allowed where the not-for-profit corporation holds a minority interest in the Project; in such a case the CMF will only contribute to the Eligible Costs related to the for-profit corporation.

3.2.2 Types of Content/Applications

3.2.2.1 Eligible Content Types

Through its IDM Programs, The CMF will fund a variety of interactive content types and applications (“**Eligible Projects**”), including but not limited to:

- Web applications;
- Mobile applications;
- Videogames;
- Interactive/Immersive Projects that contain audio or audiovisual content; or
- Software applications with a connection to the Canadian cultural sector.

3.2.2.2 Ineligible Content Types

The CMF does not wish to unduly limit the types of content or applications that it funds. However, the following types of Projects are ineligible:

- Projects with a specific corporate, industrial or mainly promotional focus;
- Curriculum-based Projects (including but not limited to e-learning applications, software and technologies);
- Projects intended for internal use by the Applicant company only (i.e. not intended to be marketed, sold or distributed to audiences);
- Commissioned Projects, or Projects derived from service contracts or orders from other businesses;
- Partial or split Projects (and Project portions) that cannot be independently exploited or distributed;
- Project porting or Project adaptation from one platform to another;
- Catalogues or compilations of repurposed material, presented without benefit of new, value-added original content;
- System software;
- Pure research and development, such as Projects or activities that would be eligible for the Federal Scientific Research and Experimental Development Tax Incentive Program (SR&ED) or the National Research Council of Canada Industrial Research Assistance Program (IRAP);
- Any type of gambling using real currency (e.g. casino-type games, cryptocurrency wagers, etc.);
- Gamification of non-cultural content (e.g., scientific, research, medical, health/wellness etc.);
- Digital marketplaces (e.g. music, television and film streaming services, virtual auctions, NFT stores, etc.);
- Social media platforms; or
- Linear audio projects, or audio projects without visuals or a high degree of immersion or interactivity (e.g. podcasts).

3.2.2.3 Interactivity

Eligible Projects must be interactive. Interactivity is defined as a meaningful participatory experience between the user and a product/technology (including but not limited to immersive technologies that engage and stimulate the user’s senses to create perceptually real sensations), or the user and other users as enabled by the product/technology. Projects that use the internet or mobile platforms to distribute linear content without significant interactive feature(s) are not eligible.

In determining whether a Project is “interactive,” the CMF will look at the Project as a whole. As such, an Eligible Project may contain both interactive and linear components, as long as the overall user experience involves a significant degree of interactivity.

3.2.3 Miscellaneous Requirements

- a) An Eligible Project 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 libelous or in any other way unlawful.
- b) 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](#).
- c) For content that is created with the assistance of Artificial Intelligence (“AI”) technology:
 - the CMF encourages all Applicants to respect the [CMF’s AI Guiding Principles](#); and
 - it is the responsibility of the Applicant to ensure that (i) all underlying rights to Eligible Projects are owned and meaningfully developed by Canadians and (ii) Eligible Projects have unobstructed access to all underlying rights.
- d) The CMF encourages all Applicants to implement more environmentally-sustainable practices and cleaner technologies – and reduce the use of unsustainable resources – in the creation and exploitation of their Projects.
- e) The CMF encourages all Applicants to consider common industry practices for accessibility standards and inclusive design.

4. IDM CONTENT – CORE GUIDELINES – CMF CONTRIBUTION

4.1 NATURE OF CONTRIBUTION

While the below section offers a general overview on the types of CMF contributions, the specific type and amount of a CMF contribution to an Eligible Project varies by CMF Program and is detailed in the applicable Program Guidelines.

4.1.1 Conceptualization and Prototyping Programs

Successful Applicants receive funding in the form of a non-interest-bearing advance that will be repayable to the CMF according to the conditions described, in part, below.

4.1.1.1 Repayment of Advances

If the Project which received support through the Conceptualization or Prototyping Programs goes into production and the CMF:

- *Does provide funding to the Project* through either the Innovation and Experimentation or Commercial Projects Programs, the costs awarded at the Development phase(s) will become part of the Project's production costs, the CMF repayable advance will form part of the production financing, and as such the repayable advance will be converted into a recoupable investment in the production and treated in accordance with the CMF's IDM business policies.
- *Does not provide further funding to the Project* through either the Innovation and Experimentation or Commercial Projects Programs, the Applicant may have the option to either:
 - repay the entire repayable advance no later than the first day of the start of production of the Project that will be commercialized; or
 - after a formal request by the Applicant and subsequent evaluation and acceptance by the CMF, allow the repayable advance to be converted into a recoupable investment in the production.

4.1.2 Commercial Projects and Innovation & Experimentation Programs

Successful Applicants receive funding in the form of a recoupable investment.

Details on the recoupment of CMF funding contributions can be found in section 6 of these Guidelines.

4.2 AMOUNT OF CONTRIBUTION

4.2.1 Per Program

For each application per Program, Successful Applicants receive funding in an amount appropriate to the needs of the Project and subject to a Maximum Contribution of the lesser of 75% of the Project's Eligible Costs or the Maximum Contribution for that Program.

4.2.2 Total Per Project

A single Project may receive support from different CMF Programs for different phases of work, either alone or in combination with each other, but in no case will the CMF contribute more than \$1.5 million towards a single Project.

For clarity, any CMF Conceptualization or Prototyping funding that is converted into Production funding as described in section 4.1.1.1 above will be included in calculating the \$1.5 million cap.

4.2.3 International Coproductions

For international coproductions, the Maximum Contribution will be calculated on the lesser of the Eligible Costs of the Canadian portion of the Project's global budget and the Eligible Costs of the Canadian portion of the global final costs.

4.3 SALE, TRANSFER, OR OTHER DISPOSITION OF THE PROJECT

Should Project materials or intellectual property which received support in this Program be sold, transferred, or otherwise disposed of to an entity unrelated to the Applicant(s), the entire CMF contribution must be repaid immediately upon the sale, transfer, or disposition.

4.4 ELIGIBLE COSTS

Eligible Costs are costs set out in budget for the Eligible Project or the final cost report as applicable (including both related-party and non-related-party costs) – plus costs the CMF considers necessary⁴ and minus costs the CMF considers excessive, inflated or unreasonable.

CMF participation is calculated on the Eligible Costs of a Project and 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.

The CMF will allow reasonable costs related to environmentally-sustainable activities, practices and personnel connected to a project funded through the IDM Programs.

Core business operations or capital expenditures of the applicants, such as rent, purchase of real estate, and maintenance costs, are not Eligible Costs.

4.4.1 Related-Party Transactions

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

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

4.4.2 Insurance Coverage

Projects must be protected in accordance with the CMF Insurance Policy, outlined in [Appendix B](#).

⁴ While 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.

5. IDM CONTENT – CORE GUIDELINES – DECISION PROCESS

The CMF utilizes both selective and first-come-first-serve (FCFS) decision processes in its IDM Programs. Please refer to each set of Program Guidelines for specifics on how decisions are made.

The CMF reserves the right to limit how many Projects are awarded funding to a single Applicant in a given funding application round.

The CMF also reserves the right to limit the number of active production phase contracts awarded to a single Applicant.

6. IDM CONTENT – CORE GUIDELINES – RECOUPMENT POLICY

6.1 INTRODUCTION

This policy applies to all Projects funded through either the Innovation and Experimentation Program or the Commercial Projects Program. This policy describes:

- The nature of the CMF's contribution
- The CMF's expectations for repayment of its contribution and, where applicable, its level of participation in profits
- Details related to recoupment and reporting of revenues

The CMF expects to fund a variety of different Projects through its IDM Programs, many of which may face different marketplace realities relating to recoupment. Details of Project recoupment not covered in this policy will be negotiated between successful Applicants and the CMF.

6.2. RECOUPMENT AND PROFIT PARTICIPATION

6.2.1 Recoupment

In order to recoup its investment, the CMF will access 15% of all Gross Revenue generated by the exploitation of the Project.

For clarity, "Gross Revenue" means any and all revenues generated by the exploitation of the Project *before* any commissions, fees, costs, or expenses of any type are deducted.

The CMF will recoup its investment from revenue generated by exploitation of the Project until the full amount of the CMF's investment is recouped or seven (7) years from the submission to the CMF of the Project's First Exploitation Report, whichever comes first.

6.2.2 Profit Participation

Once the CMF has recouped 100% of its investment, the CMF will participate in profits generated by the exploitation of the Project in the same manner in which it recouped its investment.

As with the recoupment of its investment in the Project, the CMF will participate in profits for no longer than (7) seven years from the submission to the CMF of the Project's First Exploitation Report.

6.2.3 Buyout

The CMF may consider proposals by the applicant(s) to be "bought out" of its right(s) of recoupment and/or profit participation on a case-by-case basis.

The CMF will not consider proposals to buy out the CMF's investment where the buyout is primarily intended to extinguish the CMF's right to recoupment or profit participation from revenues generated by the Project. As such, the CMF will expect to receive buyout proposals in which the amount paid to the CMF for the buy-out would be materially higher than the amount of the CMF's investment in the Project. The CMF expects that buyout proposals will typically come where a sale of the Project, either alone or as an asset in the sale of the Applicant company/companies, (or similar transaction) by the Applicant(s) to a party unrelated to the Applicant has been made.

Buyout proposals must involve payment to the CMF in cash or in instruments easily convertible to cash.

Where a sale of the Project (or similar transaction) results in an ongoing revenue stream to the applicant(s), the CMF will expect to also participate in those revenues in a proportion consistent with the level of recoupment and profit participation described above.

Determination of the Buyout Price

The CMF will consider, among other things, the following elements to determine the portion of the buyout price due to the CMF:

- Total investments made by the CMF in the Project(s);
- Total value of revenues generated and recouped by the CMF from the Project(s);
- Total value of the buyout proposed by the buyer including all considerations granted to the Applicant and/or shareholders;
- Number of years remaining for the recovery of revenues due to the CMF;
- Whether the buyer is a Canadian-controlled company; and/or
- Revenue projections of the Project(s) for the remainder of the CMF recoupment/profit participation term.