

REGIONAL PRODUCTION FUNDING GUIDELINES 2024-2025

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1. GENERAL INFORMATION

Section 1 of the <u>Linear Content - Core Production Guidelines</u> shall apply to the Regional Production Funding Guidelines, unless otherwise specified.

2. REGIONAL PRODUCTION FUNDING - OVERVIEW

2.1 INTRODUCTION

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

Regional Production Funding (the "**Program**" or "**Regional Production Program**"), which forms part of the CMF's Linear Programs, supports the CMF's mandate in encouraging linear content funding to the production of Projects across all of Canada.

While the respective budgets, applicable rules and deadlines will remain distinct, the CMF has consolidated the English Regional Production Bonus (**ERPB**), the Quebec French Regional Production Incentive, and the Northern Production Incentive¹ (collectively, the "**Regional Production Funding**") into this one set of Guidelines.

Beginning in 2024-2025:

- Eligible Canadian Distributors may contribute to the Eligible Triggering Commitment Threshold amount needed to trigger support in this Program (see section 3.2.4 of the <u>Linear Content Core Production Guidelines</u>).
- No more than 35% of funds in each Regional Production Program will be allocated to feature films in the Drama programming genre.

2.2 **DEFINITIONS**

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

- Broadcaster-Affiliated Programming
- Canadian Broadcaster
- Eligible Canadian Distributor
- In-house Programming
- Region
- Regional Production Project

¹Northern Development Funding requirements can be found in the <u>Development and Predevelopment Funding Guidelines.</u>

3. REGIONAL PRODUCTION FUNDING - ELIGIBILITY

3.1 ELIGIBLE APPLICANTS

An Eligible Applicant to this Program must meet:

- The Eligible Applicant criteria in section 3.1 of the Linear Content Core Production Guidelines;
- Any applicable specific eligibility criteria noted in this section; and
- Any applicable further requirements/qualifications noted in Addendums A and B below.

3.2 ELIGIBLE PROJECTS

An Eligible Project to this Program must meet:

- The Eligible Project criteria in section 3.2 of the Linear Content -Core Production Guidelines;
- Any applicable specific eligibility criteria noted in this section; and
- Any applicable further requirements/qualifications noted in Addendums A and B below.

3.2.1 Eligible Triggering Commitment Threshold

An Eligible Triggering Commitment Threshold ("**Threshold**") is the minimum amount of Eligible Licence Fees (and, if applicable, Eligible Market Contributions) that an Eligible Project must receive from one or more Canadian Broadcasters (and, if applicable, Eligible Canadian Distributors) to be eligible for CMF funding.

Eligible Projects for Regional Production Funding must meet the respective Program Thresholds for Projects noted in Addendum A below.

3.2.2 Maximum Terms

Eligible Projects in this Program will be assessed by the CMF to determine the maximum allowable period of all broadcast windows granted in consideration for Eligible Licence Fees ("**Maximum Term**") in production. The Maximum Term for an Eligible Project, in the aggregate and including both exclusive and non-exclusive terms is:

- Children and Youth, Documentary, and Variety and Performing Arts: 6 years
- English-language Drama: 7 years
- French-language Drama: 5 years

3.2.3. Miscellaneous Requirements

- a) The Eligible Project's original language of production must comply with the applicable language of the specific Regional Production Program outlined in Addendum B below, as required.
- b) While a licence fee from either a French- or English-language Canadian Broadcaster may be considered an Eligible Licence Fee for the purposes of meeting an Eligible Project's Threshold, an Eligible Licence Fee from a Canadian Broadcaster for the Project's original language of production Canadian rights must represent the larger share of that Eligible Triggering Commitment.
- c) Projects that received CMF funding in previous fiscal years are not eligible for Regional Production Funding² in 2024-2025.
- d) All other sources of financing must be confirmed at the time of application. Projects that have already applied for other CMF funding may be required to adjust their financing and/or budget if support from a Program offered in Regional Production Funding would result in a project being over-financed (more than 100% of Eligible Costs).
- e) In addition to the specific qualifications for the applicable Regions associated with each Regional Production Funding Program noted in Addendum B below, the Applicant and the Project must meet all of the requirements of a "Regional Production Project" as defined in Appendix A.

²Suitable exceptions may be made for 2024-2025 episodes for split-cycle Projects produced and funded over two CMF fiscal years.

4. REGIONAL PRODUCTION FUNDING - CMF CONTRIBUTION

A CMF Contribution to an Eligible Project will follow:

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

4.1 NATURE OF CONTRIBUTION

The CMF's contribution from each applicable Program offered in Regional Production Funding will be in the form of a Licence Fee Top-Up.

4.2 AMOUNT OF CONTRIBUTION

The Maximum Contribution shall be the lesser of a percentage of an Eligible Project's Eligible Costs (as defined in section 4.2.1 of the <u>Linear Content – Core Production Guidelines</u>) or the dollar amount listed for the respective Program in Addendum B below.

In the case of an eligible coproduction (i.e., a Canadian interprovincial coproduction or an audiovisual treaty coproduction), the amount of the CMF's contribution will be calculated on the portion of the Eligible Project's Eligible Costs associated with the Eligible Applicant.

4.3 COMBINING REGIONAL PRODUCTION FUNDING WITH OTHER CMF PROGRAMS

Applicants should note that funding offered through the Program may be affected by funds offered through other CMF Programs:

- Regional Production Funding may be combined with funding from other CMF Programs. In such cases, it will be
 awarded separately and in addition to any amounts contributed to the Project through other CMF Programs, and
 without regard to Maximum Contribution amounts applicable to those Programs. The total combined CMF
 contribution from all Programs cannot exceed 84% of Eligible Costs.
- Additionally, Canadian Broadcasters may combine funds from their Broadcaster Envelope Program English and
 French allocations with funding from Regional Production Funding in the same fiscal year. The Threshold amount
 for each Program will then apply to the total Eligible Costs. Projects may receive amounts up to the Maximum
 Contribution specified for this Program; any additional funds will be taken from the Canadian Broadcaster's
 Envelope. The total CMF contribution from all Programs is limited to 84% of Eligible Costs.
 - For clarity, when combining Regional Production Funding with Broadcaster Envelope Program English and French financing, if an Eligible Canadian Distributor is contributing to the Project's Threshold, the larger share of the Threshold must come from a Canadian Broadcaster contributing an Eligible Licence Fee

5. REGIONAL PRODUCTION FUNDING - DECISION PROCESS

Eligible Projects will be awarded funding on a first-come, first-served (FCFS) basis until resources for the applicable Program are depleted or until the Program's Final Closing Date, 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, designate how many submitted Projects (per Applicant) will receive funding, or elect to distribute funding in some other equitable manner, to be determined in the CMF's sole discretion.

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



ADDENDUM A ELIGIBLE TRIGGERING COMMITMENT THRESHOLDS 2024-2025

DRAMA PROGRAMMING

LANGUAGE	PROJECT					
	TYPE	ELIGIBLE COSTS	THRESHOLD			
	All Eligible Projects	Less than \$800,000 per hour	45% of Eligible Costs or \$315,000 per hour, whichever is less			
	Series or one-offs	\$800,000 per hour or more	\$315,000 per hour			
	Movies of the Week (MOW) and Mini-series	\$800,000 per hour to \$1,857,143 per hour	\$235,000 per hour			
ENGLISH		More than \$1,857,143 per hour	12.5% of Eligible Costs			
	Half-hour pilots	More than \$700,000 per half- hour	\$205,000 per half-hour			
	1-hour pilots	More than \$1.75 million per hour	\$525,000 per hour			
	Theatrically-released ³ Feature Films	All	5% of Eligible Costs or \$230,000 per project, whichever is less			
	All Eligible Projects (excl. MOWs)	Less than \$250,000 per hour	50% of Eligible Costs			
FRENCH	All Eligible Projects (excl. MOWs)	\$250,000 per hour or more but less than \$800,000 per hour	23% of Eligible Costs			
	All Eligible Projects (excl. MOWs)	\$800,000 per hour or more	20% of Eligible Costs or \$195K per hour, whichever is less			
	Movies of the Week (MOW)	All	\$150,000 per project			

VARIETY AND PERFORMING ARTS PROGRAMMING

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

³To be eligible for this Threshold, Applicants are required to provide a distribution agreement from a distributor that meets the CMF's definition of an Eligible Canadian Distributor for the Canadian theatrical release of their Project as part of their application.

DOCUMENTARY PROGRAMMING

LANGUAGE	PROJECT			
LANGUAGE	TYPE	ELIGIBLE COSTS	THRESHOLD	
	One-offs and mini-series (excluding feature length documentaries)	Less than \$400,000 per hour	30% of Eligible Costs or \$100,000 per hour, whichever is less	
ENGLISH	Series	Less than \$400,000 per hour	40% of Eligible Costs or \$100,000 per hour, whichever is less	
	All Eligible Projects (excl. feature-length documentaries)	\$400,000 and above	\$100,000 per hour	
	Feature-length documentary	All	10% of Eligible Costs	
	All Eligible Projects (excl. feature-length documentaries)	Less than \$100,000 per hour	35% of Eligible Costs	
FRENCH	All Eligible Projects (excl. feature-length documentaries)	\$100,000 per hour to \$400,000 per hour	20% of Eligible Costs	
	All Eligible Projects (excl. feature-length documentaries)	More than \$400,000 per hour	15% of Eligible Costs or \$60K per hour, whichever is less	
	Feature-length documentary	All	10% of Eligible Costs or \$60K per project, whichever is less	

CHILDREN AND YOUTH PROGRAMMING

LANGUAGE	PROJECT				
	TYPE	ELIGIBLE COSTS	THRESHOLD		
	All Eligible Projects (excl. theatrically- released animated feature films)	Less than \$750,000 per hour	25% of Eligible Costs or \$160,000 per hour, whichever is less		
ENGLISH	All Eligible Projects (excl. theatrically- released animated feature films)	\$750,000 or more per hour	\$160,000 per hour		
	Theatrically- released ⁴ Animated Feature Films	All	5% of Eligible Costs or \$230,000 per project, whichever is less		
	Live-action Eligible Projects	less than \$750,000 per hour	35% of Eligible Costs		
FRENCH	Live-action Eligible Projects	\$750,000 or more per hour	15% of Eligible Costs		
	Animation	All	10% of Eligible Costs		
	Theatrically- released ⁵ Animated Feature Films	All	5% of Eligible Costs or \$150,000 per project, whichever is less		

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

⁵To be eligible for this Threshold, Applicants are required to provide a distribution agreement from a distributor that meets the CMF's definition of an Eligible Canadian Distributor for the Canadian theatrical release of their Project as part of their application.



ADDENDUM B ADDITIONAL PROGRAM REQUIREMENTS 2024-2025

REGIONAL PRODUCTION PROGRAM	ORIGINAL LANGUAGE OF PRODUCTION	APPLICABLE REGIONS	MAXIMUM CONTRIBUTION	ENTITY CONTRIBUTING ELIGIBLE TRIGGERING COMMITMENT THRESHOLD	OTHER
English Regional Production Bonus	English	All parts of Canada that meet the "Region" definition in Appendix A, but excluding: Quebec, the Northwest Territories, Nunavut, Nunavik, and the Yukon.	Lesser of 15% of Eligible Costs or \$1,000,000	Canadian Broadcaster (and, if applicable an Eligible Canadian Distributor)	Other than rare exceptions for Projects awarded funding through specific CMF selective programs ⁶ , no province can access more than 35% of the allocation for the ERPB. Any money left unspent after the 1st application deadline will be made available to all eligible provinces (who have not yet reached their 35% cap) until the 2nd application deadline. Allocation for 1st Deadline: Up to 65% of the ERPB budget Allocation for 2nd Deadline: 35% or more of the ERBP budget For In-house Programming and Broadcaster-Affiliated Programming: These Applicants will be able to apply with a maximum of one (1) project per year; and No more than 15% of funds in the ERPB will be allocated to Projects from these Applicants. Beginning in 2024-2025, the CMF will calculate ERPB contributions by including a minimum of 90% of available tax credits in the financial structure to help with oversubscription to these FCFS funds. Applicants will be required to submit these tax credit calculations at application. For clarity, this rule will be applied uniformly across all ERPB projects and the CMF will not require Applicants to keep 90% of the tax credits in the financing.
Northern Production Incentive	English or French	The following parts of Canada that meet the "Region" definition in Appendix A. Northwest Territories, Nunavut, Nunavik, and the Yukon.	Lesser of 30% of Eligible Costs or \$200,000	 Canadian Broadcaster (and, if applicable an Eligible Canadian Distributor) CMF-approved community channel operating in Nunavut, Nunavik, the Yukon Territory or the Northwest Territories 	For Projects with Eligible Triggering Commitments solely from a Community Channel, there is no minimum Threshold required to trigger funding. Producer's Fees and Corporate Overhead (PFCO) shall be a maximum of 30% of Sections B+C of the production budget for all Projects, regardless of the budget amount. Allocation for 1st Deadline: Up to \$400,000 of the Northern Production Incentive budget

⁶For clarity, while Applicants that are awarded funding through either the POV Program, Indigenous Program or Program for Racialized Communities (provided the majority of the Project's original language of production is in English) will be permitted to access the ERPB even if the cap of the Applicant's respective province has already been reached, the funding amounts their Projects receive may still be subject to proration.

					Allocation for 2 nd Deadline: \$400,000 or more of the Northern Production Incentive budget
Quebec French Regional Production Incentive	French	The following parts of Canada that meet the CMF's "Region" definition in Appendix A. Quebec	Lesser of 15% of Eligible Costs or \$225,000	Canadian Broadcaster (and, if applicable, an Eligible Canadian Distributor)	Must have a French Broadcaster Envelope Allocation attached to the Eligible Project.