



**NORTHERN
PRODUCTION
INCENTIVE
GUIDELINES
2014-2015**

Interpretation, Application, Disclaimer, and other Important Information

These Guidelines are for the information and convenience of Applicants 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 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 the 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.

1. INTRODUCTION TO THE CANADA MEDIA FUND

The Northern Production Incentive

The Canada Media Fund's mandate includes support for funding to production across the country. As such, the CMF is continuing its Northern Production Incentive, now as a separate funding Program, for the 2014-2015 fiscal year.

This incentive will take the form of a CMF licence fee top-up (see section 2.2 of the 2014-2015 Performance Envelope Program Guidelines) contribution of 20% of a Television Component's Eligible Costs (see section 2.3.2 and all its subsections of the 2014-2015 Performance Envelope Program Guidelines) up to a per-project maximum of \$200,000. For an eligible coproduction (i.e. a Canadian interprovincial coproduction as described below, or an audiovisual treaty coproduction), the amount of the incentive will be calculated on the portion of the Television Component's Eligible Costs associated with Nunavut, the Yukon Territory or the Northwest Territories, as applicable. The incentive will be awarded to eligible projects on a first-come, first-served basis until resources for the incentive 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 elect to distribute the available funding on a proportional (pro-rated) basis to projects deemed eligible.

The Northern Production Incentive may be combined with funding from other CMF funding Programs; 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. However, the total CMF contribution from all programs combined cannot exceed 84% of the Eligible Costs.

Projects with Eligible Licence Fees (see section 3.2.TV.5 of the [2014-2015 Performance Envelope Program Guidelines](#)) from Canadian broadcasters who do not have a CMF Performance Envelope are eligible for the Northern Production Incentive. Additionally, for the purposes of the Northern Production Incentive, "Canadian broadcaster", as defined in section 3.2.TV.5 b) of the [2014-2015 Performance Envelope Program Guidelines](#), includes community channels operating in Nunavut, the Yukon Territory or the Northwest Territories.

Eligible Projects in the Northern Production Incentive Program are convergent projects (with a Television Component and one or more Digital Media Components, VOD presentation of the Television Component, digital distribution of the Television Component, or any combination of these three) as described in section 3.2 of the CMF's [2014-2015 Performance Envelope Program Guidelines](#). Only the Television Component, not the Digital Media Component, will be financed in the Northern Production Incentive.

Eligibility for the Northern Production Incentive includes these criteria:

- a) The Applicant and project meet all of the applicable requirements of section 3 of the CMF's [2014-2015 Performance Envelope Guidelines](#). For projects with Eligible Licence Fees from community channels operating in Nunavut, the Yukon Territory or the Northwest Territories, there is no minimum Licence Fee Threshold amount (see section 3.2.TV.5.1 of the [2014-2015 Performance Envelope Program Guidelines](#)).
- b) The Television Component is or was submitted for CMF funding for the 2014-2015 CMF fiscal year. Projects that received CMF funding in previous fiscal years are not eligible for the 2014-2015 Northern Production Incentive.
- c) The Television Component is 100% financed at application (including the Northern Production Incentive and any other CMF financing). For projects that have already applied for CMF funding for the 2014-2015 fiscal year, financing and/or the budget must be adjusted accordingly. The Northern Production Incentive cannot result in a project being more than 100% financed.

d) The following geographical criteria are met:

- i) Principal photography for the Television Component occurs in Nunavut, the Yukon Territory or the Northwest Territories, (or, in the case of an eligible coproduction, in the coproducing territory) with suitable exceptions for documentaries
- ii) The Applicant (or whichever Applicant owns rights to the Television Component if there are separate Applicants for Television and Digital Media) is based in Nunavut, the Yukon Territory or the Northwest Territories (with its head office in Nunavut, the Yukon Territory or the Northwest Territories) and:
 - Exercises full control of the creative, artistic, technical and financial aspects of the Television Component or, in the case of an eligible coproduction, has this control in proportion to its copyright ownership;
 - In the case of an interprovincial coproduction, owns at least 51% of the copyright of the Television Component;
 - In the case of an eligible coproduction, shares equitably in fees payable to producers and corporate overhead;
 - Initially owns and controls the distribution rights to the Television Component and retains an ongoing financial interest in the Television Component or, in the case of an eligible coproduction, the markets and potential revenues are shared equitably in proportion to the financial participation of each coproducer
 - Has meaningfully participated in the Television Component's development.

Where the control and central decision makers in the Television Component are located outside of Nunavut, the Yukon Territory or the Northwest Territories, the project is not eligible for the Northern Production Incentive.

Section 1 of the CMF's [2014-2015 Performance Envelope Guidelines](#) apply to applications for the Northern Production Incentive. For certainty, all applicable business policies also apply to this Incentive, except that, for the purposes of the Producer's Fees and Corporate Overhead (PFCO) Policy, those fees and overhead shall be a maximum of 30% of Sections B+C of the production budget for all projects, regardless of the budget amount.