المركز السينمائي المغربي
Centre Cinématographique Marocain

Joint order 2117-18 of the minister of Youth Culture and Communication, and the minister of economy and finance, dated 4 July 2018, amending the joint order 2948-17 of the minister of culture and communications, and the minister of economy and finance, dated 19 January 2018, establishing the conditions, criteria and procedures for granting support for the production of foreign cinematographic and audiovisual works in Morocco

The Minister of Youth, Culture and Communication;
and the Minister of Economy and Finance;

Having regard to Decree No. 2.12.325 of 28 Ramadan 1433 (17 August 2012) laying down the conditions and procedures for support to cinematographic production, digitization, the renovation and creation of cinema theaters, and the organization of film festivals, as amended and supplemented by Decree No. 2.17.373 of 9 Kaada 1438 (2 August 2017), **in particular Articles 1 and 6 ter**;

Decree :

First article: In accordance with the provisions of the second paragraph of Article 6 ter of aforementioned Decree 2.12.325, the amount of support granted to foreign production companies producing cinematographic and audiovisual works in Morocco shall be set at **30% of the eligible expenses, excluding taxes, that incurred in Morocco**.
Expenditure eligible for support is identified in the eligibility Terms and Conditions developed by CCM in accordance with 2 paragraph of Article 4 of the Decree No. 2.12.325.

Eligible expenses may not exceed 90% of the total production budget invested in Morocco and can be no less than 10 million Dhs.

In the case of a Moroccan-foreign co-production, the eligibility requirements are applied to the portion accruing to the foreign co-producer and to imported capital budget and disbursed exclusively and directly by the foreign producer in Morocco. In this case, the financing plan must include a detailed breakdown of expenditure between the foreign producer and the Moroccan producer.

The completion of the work must begin at the latest within sixth month after filing the bond as defined in section 3 below and to be completed at the end of the twelfth month following the start of filming.
No support may be granted in the event of non-compliance or breach of a condition set by this Joint Order and the eligibility Terms and Conditions.

Article 2: The support shall be granted, under the following conditions, to foreign production companies producing cinematographic and audiovisual works in Morocco.

a)
- The work to be produced must be partly or fully:
  • a feature film;
  • a television fiction series;
  • a TV movie;
  • a docu-fiction or a documentary;
  • or an audiovisual work of fiction intended to be exploited exclusively on the Internet.
- The minimum shooting time in Morocco must be **eighteen days**. When the production of the work requires the construction of sets, the minimum duration includes the days devoted to the construction of the sets.
- The distribution of the work to be produced must have an international distribution.

b) Furthermore, the production company agrees to:

- transfer the cultural exploitation rights of the work in Morocco to the benefit of the Moroccan Cinema Center (CCM), for an indefinite period, starting one year after the first worldwide commercial release of the film, with the exception of fictional or documentary audiovisual works intended primarily for exploitation on the internet;
- For the purposes of this order, the term "cultural exploitation rights" means non-commercial projections in cinematographic events organized in Morocco;
- deposit a copy of the film with the CCM, with the exception of fictional or documentary audiovisual works intended primarily for exploitation on the internet;
- authorize the CCM to use excerpts from the work in advertising campaigns promoting Morocco as a film shooting destination or as a touristic destination;
- include, in the opening credits of the work, the following wording:" This film has benefited from Morocco's support for cinematographic production", in the language of the film's credits. The CCM may replace the content of this wording with any visual material indicating Morocco's support for the work;
- in the case of fictional or documentary audiovisual works intended primarily for exploitation on the internet, the CCM may request from the producer of such work authorization to screen it in the context of specific cultural events.

Article 3: The support shall be subject to a request addressed, prior to the shooting, by the foreign production company to the CCM, specifying the nature of the production, the type of distribution, the duration of the shooting, the schedule and the amount of the investment planned in Morocco, as well as the amount of support requested. The production company undertakes to comply with the provisions of this Order and the specifications it provided.

Subject to the availability of funds, the Director of the CCM, after having informed the Commission for Support to Foreign Audiovisual and Cinematographic Production in Morocco, shall invite the foreign production company, within thirty (30) days from receipt of the application, to submit a bank guarantee amounting to five percent (5%) of the amount of support requested, within a period of thirty (30) days, renewable once only.

The bank guarantee shall be refunded if the planned investment materialized in its entirety.

If the amount invested is lower than the declared amount, the bank guarantee shall be released on a pro rata basis of the investment made.

If, for any reason, the production does not take place, is cancelled, is not completed, or if the work is not produced within the time limits set out in Article One above, the bank guarantee shall be forfeited to the CCM.

Article 4: Within ninety (90) days following the last day of filming, the company shall submit to the CCM a request for payment of the amount of support, accompanied by a file composed of the following documents:

a) An application form for payment of the support signed by the legal representative of the production company.
b) The following documents relating to the production company:
- a certified copy of the articles of association of the company;
- a certified copy of the company's certificate of registration in the commercial register of its country of origin, or a declaration attesting to the company’s lawful and regular existence;
- the acts of designation of the social leaders;
- the acts of designation of the production executives.;
- copies of the identity documents of company executives and the production executives.

c) a certificate or any document proving the acquisition of the copyrights of the work by the production company.
d) The following documents relating to the shooting:
- a copy of the filming authorization;
- the detailed production schedule;
- the daily call sheets for the days of filming in Morocco;
- copies of the contracts signed with Moroccan technicians and performers.

e) The accounting documents relating to the filming:
- a statement of the final cost of the work in Morocco;
- a statement of the summary of actual expenditures, together with supporting documents and vouchers certified by a statutory auditor;
- copies of all accounting documents substantiating the expenses relating to the production of the work in Morocco.

All accounting documents shall bear two references:
- a chronological expenditure reference number;
- a charge allocation reference number, in accordance with the expenditure classification set out in the annex to the specifications the company provided.
- copies of bank statements evidencing the expenditures made from the convertible dirham bank account opened with a Moroccan banking institution.

Article 5: Commission To Support the Foreign Production in Morocco of Audiovisual and Cinematographic Works sets the amount of support.

In the case where the amount invested exceeds the amount stated in the request provided for in article 3 above, the commission may increase its support according to the availability of funds.

The CCM shall transfer, in a single installment, the amount of support to the bank account of the production company referred to in Article 4 above, within a maximum period of one hundred and eighty (180) days following the Commission's examination of the complete payment application file.

Article 6: The representative of professionals in the field of production within the Commission for Support to Foreign Audiovisual and Cinematographic Production in Morocco shall be appointed by the Minister in charge of Communication, upon proposal of the Director of the CCM, from among persons having experience and expertise in the field of foreign production in Morocco.

Article 7: The Commission shall meet twice a year and whenever necessary, upon invitation of its Chairperson, accompanied by the applications for support, at least one week prior to the date of the meeting.

The Commission may validly deliberate only if at least four of its members are present. Its decisions shall be taken by a majority vote of the members present. In the event of an equal division of votes, the Chairperson shall have the casting vote. The deliberations of the Commission shall be recorded in minutes entered into the registers of the Commission's Secretariat.

The Commission shall be responsible, in particular, for:

- verifying compliance with the commitments undertaken by the foreign producer;
- ruling on applications for support in accordance with the cost classification established by the specifications, and with the applicable reimbursement rates and caps;
- preparing an annual report on its activities to be submitted each year to the Minister in charge of Communication.

Any rejection by the Commission of all or part of the supporting documents relating to expenditure must be duly reasoned.

The Commission may call upon the services of a chartered accountant. The costs relating to such services shall be charged to the Commission's operating budget.

Article 8: The secretariat of the Support Commission shall be provided by the CCM.

Article 9: The CCM may, at any time during production in Morocco, carry out inspections of the filming of foreign works that have been the subject of an application for support.

Article 10: If it is established that the producer has failed to comply with its commitments towards the Moroccan Cinema Center, the latter may seek, through judicial proceedings in Morocco or abroad, the reimbursement of part or all the amount of support granted.

Article 11: This Order shall be published in the Official Bulletin.