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Canada Media Fund Emergency Relief Funding Update

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As previously reported in our articles of May 19, 2020 and May 21, 2020, the Government of Canada allocated \$115.8 million dollars in COVID-19 emergency relief funding to support Canada's screen-based industries. Of this amount, approximately \$88.8 million dollars was to be administered through programs overseen by the Canada Media Fund (CMF). The CMF has recently released several new updates on the administration and distribution of these funds:

- On July 3, 2020, the CMF announced that \$13.3 million dollars of the COVID-19 emergency funding would be allocated specifically to support underrepresented communities and regional diversity in the audiovisual industry.¹ Further information was released on July 31, 2020,² providing details of the funding proposed to be allocated to support regional diversity (the Regional Allocation), including eligibility criteria. Applicants may be entitled to receive up to \$11,000.
- On July 7, 2020, the CMF announced that it would distribute an additional \$27.8 million dollars as part of "Phase 2" of the COVID-19 Emergency Support Fund for Cultural, Heritage and Sport Organizations, which is intended for entities that were ineligible to receive funding from the initial \$88.8 million dollars that was allocated to the CMF.³ We anticipate that the CMF will release further details on this "Phase 2" funding once finalized.

Support for Third-Language Programming

Most recently, on July 20, 2020 the CMF released details on the allocation of relief funding to support thirdlanguage programming.⁴ Specifically, this funding is intended to support independent television producers with productions in a language other than English or French that are subject to an advertising revenue-share barter agreement with a Canadian broadcaster. Eligible applicants may be entitled to receive up to \$50,000.

Eligible Applicants

To be eligible for this specific portion of funding, the applicant, among other things, must be a Canadiancontrolled parent corporation and must focus primarily on the production of news, public affairs, entertainment or human-interest programs for television in a language other than English or French. Similar to previous eligibility requirements, an applicant must affirm that it has been negatively financially impacted by the COVID-19 pandemic, and must demonstrate a projected negative financial impact of at least 25% of its business activities. Applicants cannot have applied for similar funding through Telefilm Canada or the

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Canada Council for the Arts, and must not have received a funding commitment from the CMF through its experimental, convergent or sector development funding streams.

Eligible Project

An applicant's project must meet the CMF's definition of an "Eligible Project", which means, among other things, that the project was produced in a language other than English or French, falls under one of three categories: CRTC Category 1 (News), Category 2a (Analysis and Interpretation), or Category 11a (General Entertainment and Human Interest), and is not an in-house or broadcaster-affiliated program. Furthermore, the television project must have been broadcast, or have been scheduled for broadcast, between March 15, 2020 and June 30, 2020. The applicant must be subject to a signed barter agreement with an exempt or authorized Canadian Radio-television and Telecommunications Commission discretionary service, where the applicant and broadcaster agreed to a shared revenue program from advertising dollars garnered from each respective television project. An additional list of requirements can be accessed here.

Funding

For the 16-week period between March 15, 2020 and June 30, 2020, eligible applicants are entitled to a single lump sum amount that is equal to the lesser of: (i) \$2,000 per 30-minute project and \$2,700 per 60-minute project, or (ii) \$50,000.

Applicants should be aware that they may still be eligible for the CMF Third-Language Allocation if they applied for additional Government of Canada COVID-19 financial relief programs, but they cannot have been allocated funds from multiple Government of Canada financial relief initiatives for the same expenses.

Applications opened on July 22, 2020 and will close on September 18, 2020, and eligible applicants will be allocated funding on a first-come, first-served basis.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.

¹ Canada Media Fund Press Release, July 3, 2020, https://www.cmf-fmc.ca/en-ca/news-events/news/july-2020/cmf-releases-details-of-covid-19-\$13-3m-emergency.

² Canada Media Fund Press Release, July 31, 2020, https://cmf-fmc.ca/getattachment/5cbd0176-ca05-40a1-b7f7-a9e345295bbf/attachment.aspx.

³ Canada Media Fund Press Release, July 7, 2020, https://cmf-fmc.ca/en-ca/news-events/news/july-2020/canada-media-fund-and-telefilm-canada-welcome-phas.

⁴ Canada Media Fund Press Release, July 20, 2020, https://cmf-fmc.ca/en-ca/news-events/news/july-2020/canada-media-fund-opens-covid-19-emergency-relief.