

Plurilateral Request for Audiovisual Services

1. Background and objective

Further to paragraphs 25 through 27 of the Hong Kong Ministerial Declaration, and in accordance with paragraphs 7 and 11(b) of Annex C of the Hong Kong Ministerial Declaration, the Permanent Mission of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu is pleased to present the delegation of [...] with the collective request in Audiovisual Services on behalf of the following interested Members: Hong Kong, China, Japan, Mexico, Singapore, the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, and the United States. There is no collective request to LDCs.

This request identifies specific objectives for Audiovisual Services liberalization, while recognizing the flexibilities provided for individual developing country Members in accordance with Article XIX:2 of the GATS. The aforementioned interested Members are also deemed to be recipients of this request.

In accordance with paragraph 7 of Annex C of the Hong Kong Ministerial Declaration, this collective request is intended to complement, and not supersede, the bilateral request/offer negotiations and the specificity of bilateral requests.

The Permanent Mission of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu has the further pleasure to invite [...] to participate in a plurilateral discussion of this request, which will be organized in Geneva during the Services cluster taking place from 27 March to 7 April, 2006.

Please note that 27 other Members have received collective requests in Audiovisual Services from the aforementioned group of interested Members, and have also been invited to this plurilateral meeting.

The aforementioned interested Members reserve the right to modify the content of this request in the future. The list of interested Members is also subject to change.

Any comments regarding this request, including written questions of a technical nature in advance of the plurilateral meeting, may be addressed to: Mrs. Jen-Ni Yang, Counsellor, the Permanent Mission of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

2. Plurilateral Request

Audiovisual services, like all services under the GATS, are an integral part of the services negotiations. In accordance with the Guidelines and Procedures for the Negotiations on Trade in Services of 29 March 2001 (S/L/93), there shall be no *a priori* exclusion of any service sector or mode of supply.

Opening the audiovisual services market benefits the domestic industry by introducing new technologies, skills and business methods which in turn lead to the development of a multitude of new services, encourage investment in digital networks, and foster local creativity and innovation. A growing number of countries have come to recognize that opening the audiovisual sector to foreign participation has broad, positive spill-over effects for the local economy, including for such sectors as tourism, education and local manufacturing.

In order to achieve progressively higher levels of liberalization of trade in Audiovisual Services, Members should ensure that their new and improved commitments adhere to the following objectives:

(a) Sector coverage

Undertake commitments in the following sub-sectors:

- Promotion or Advertising Services (CPC 96111)
- Motion Picture^{*} Production Services (part of CPC 96112)
- Videotape[†] Production Services (part of CPC 96112)
- Motion Picture^{*} Distribution[§] Services (part of CPC 96113)
- Videotape[†] Distribution[§] Services (part of CPC 96113)
- Other Services in Connection with Motion Picture^{*} and Videotape[†] Production and Distribution[§] (CPC 96114)
 - Motion Picture^{*} Projection Services (CPC 9612)
 - Sound Recording Services

(b) Level of commitment

- Commitments on Modes 1 and 2 that reflect the level of *de facto* openness
- Commitments on Mode 3 without the following, to the greatest extent possible:
 - Content quotas
 - Foreign equity restrictions

^{*} For purposes of clarity, this class includes, but is not limited to, celluloid film, videotape, optical disc and any digital format for primarily theatrical use.

[†] For purposes of clarity, this class includes, but is not limited to, videotape, optical disc and any digital format for primarily non-theatrical use.

[§] For greater clarity, distribution services in this context may include the licensing of motion pictures or video tapes to other service providers for exhibition, broadcasting, or other transmission, rental, sale or other use.

- Restrictions on the number of suppliers and other quantitative limitations
- Nationality or residency requirements
- Economic needs tests (ENTs)
- Restrictions on the type of legal entity
- Discriminatory tax treatment
- Discriminatory licensing requirements
- Discriminatory local production, employment, and sponsorship requirements

(c) MFN exemptions

- Reduce the scope and number of MFN exemptions in the above sub-sectors
- Clarify remaining MFN exemptions in terms of scope of application and duration

(d) Flexibilities

Certain flexibilities (e.g., subsidies, co-production agreements, phase-outs...etc.) will be discussed in the plurilateral negotiations.