



## Motion Picture Services, 2022

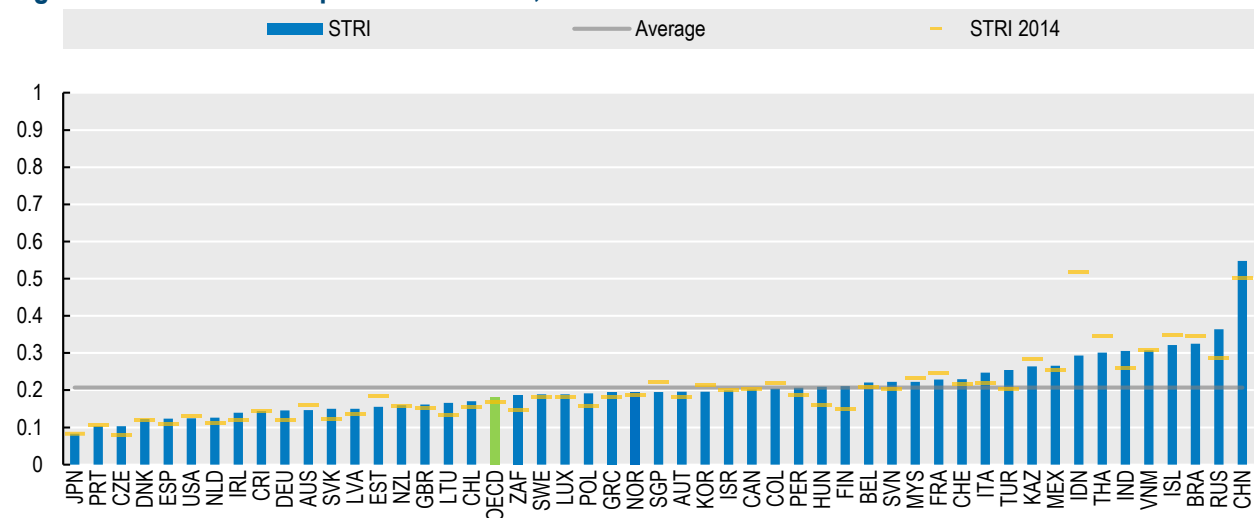
### Key findings

- The average 2022 STRI in the motion pictures sector is 0.21 out of a maximum of 1 (most trade restricted) indicating a relatively low overall level of restrictiveness. However, individual country scores diverge considerably, ranging between 0.08 and 0.55.
- The best performing countries in the sector are Japan, Czech Republic and Portugal. Most regulatory reforms in 2022 were recorded in Japan, New Zealand and Kazakhstan.
- Restriction on foreign entry are the main drivers of trade restrictiveness in the sector, with contributions to the total index values of 34% in OECD economies and 51% in non-OECD economies.

The sector of motion pictures is defined as motion picture, video and television programme production, post-production and distribution activities (ISIC Rev 4, code 591). The sector has benefitted from rapid digitalisation and the increased technological developments that facilitate the streaming of media content over the Internet.

The 2022 STRIs in the motion pictures sector range between 0.08 and 0.55, with a sample average of 0.21 (Figure 1). There are 31 countries below and 19 countries above the average. The best performing countries in the sector are Japan, the Czech Republic and Portugal.

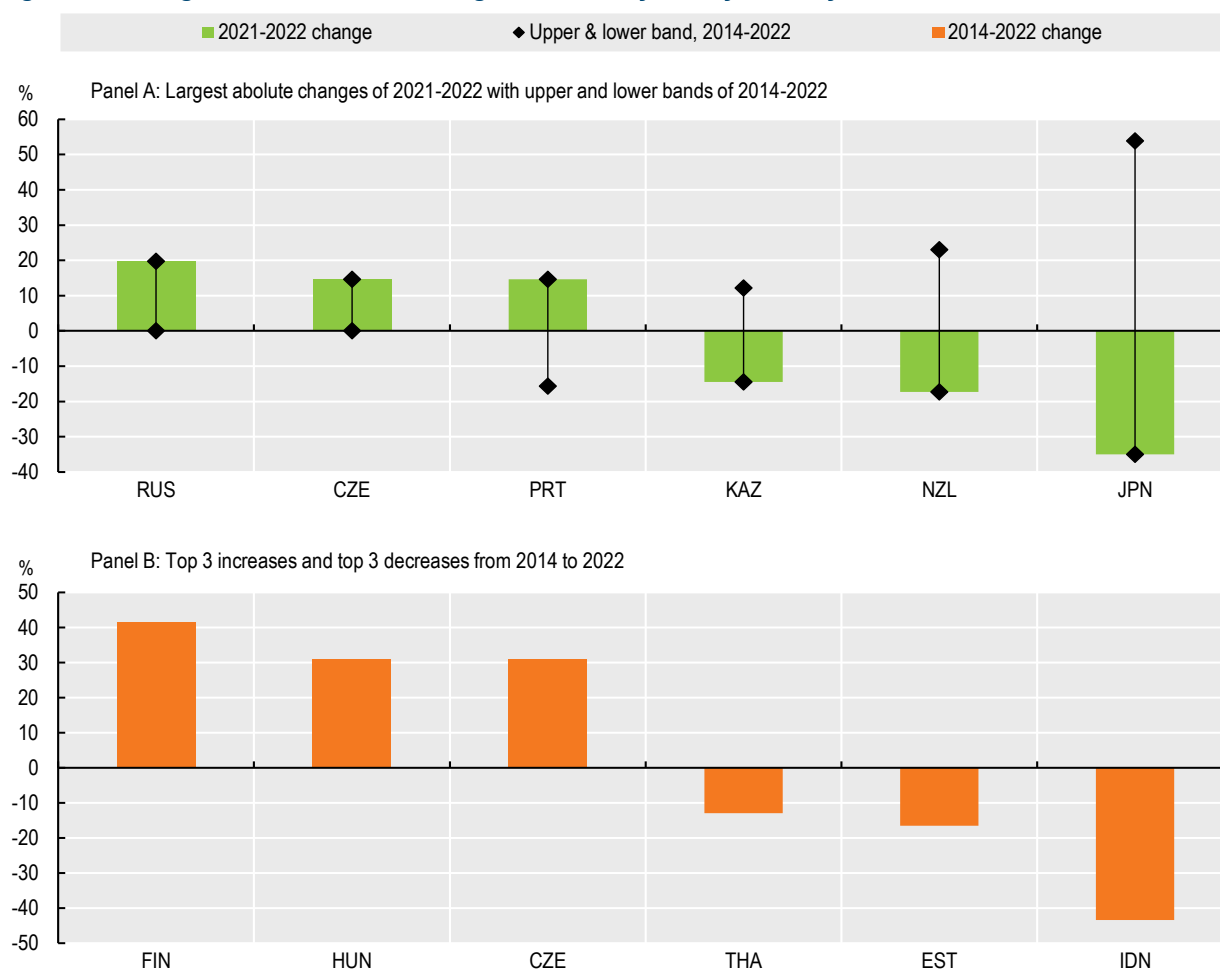
Figure 1. STRI in motion pictures services, 2022



Note: The STRI indices take values between zero and one, one being the most restrictive. The indices are based on laws and regulations in force on 31 October 2022. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russian Federation, Singapore, South Africa, Thailand, and Viet Nam. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.  
Source: OECD (2022). STRI database.

Several countries introduced regulatory changes affecting the STRIs in 2022 and more so since 2014 (Figure 2). In 2021, the STRIs in this sector saw the biggest changes in the Russian Federation (20%), the Czech Republic (15%), Portugal (15%), Kazakhstan (-14%), New Zealand (-17%), and Japan (-35%). Since 2014, on the one hand, we have observed countries that have had the strongest restrictive trends such as Finland (42%), Hungary (31%) and the Czech Republic (31%). On the other hand, we have strong liberalising trends in Thailand (-13%), Estonia (-17%), and Indonesia (-43%).

**Figure 2. Change since 2014 and change in the last year, by country**

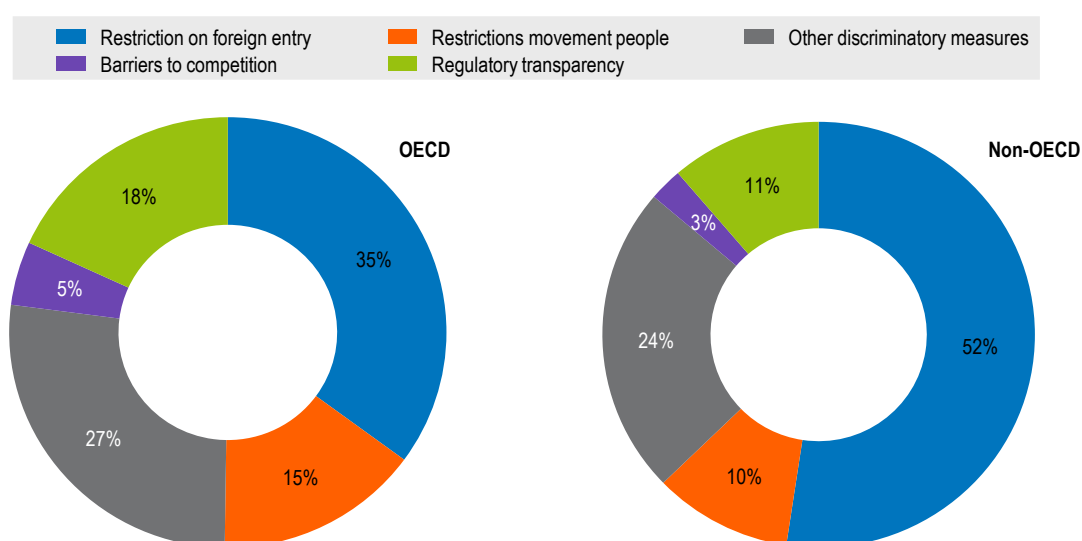


Note: Selection criteria for Panel A was based on largest absolute changes since 2020. Panel B selection is the 3 largest increases, and the 3 largest decreases in the STRI since 2014.

Source: OECD (2022). STRI database.

The measures in the STRI database are organised under five policy areas (Figure 3). Restrictions on foreign entry include barriers related to establishing and operating companies such as foreign equity limits or requirements on board of directors and cross-border data flows. Restrictions on the movement of people cover barriers that affect the temporary entry of foreign services providers through quotas, labour market tests and short durations of stay. Other discriminatory measures include discrimination of foreign services suppliers as far as taxes, subsidies and public procurement are concerned. Barriers to competition include information on anti-trust policy, government ownership of major firms and the extent to which government-owned enterprises are exempt from competition laws. Regulatory transparency includes information on consultations and dissemination prior to laws and regulations entering into force. It also records information on obtaining a license or a visa. In this sector, barriers related to restrictions on foreign entry are most prominent and amount to 35% in OECD economies and 52% in non-OECD economies.

**Figure 3. STRI for motion pictures with policies areas in OECD and non-OECD economies, 2022**



Source: OECD (2022). STRI database.

There are no countries that are fully closed to trade in this sector.

The motion picture sector is a global industry in which market transactions, whether within or across borders, are essentially the transfer of property rights from a seller to a buyer at the going price, or the right to use somebody's property for a rental or fee. Therefore, the sector-specific measures in motion picture services relate to the implementation of international treaties on the protection of copyrights and related rights in a non-discriminatory manner. Moreover, films are also a cultural expression subject to a range of promotional and protective measures that are relevant for international trade.

Table 1 lists some of the most relevant restrictions identified in each of the five STRI policy areas. Under restrictions on foreign entry, common impediments relate to cross-border data flows and acquisition, and use of land and real estate. Investment screening mechanisms, local presence requirements and residency requirements for members of the board of directors are also present but to a lesser degree. In 15 countries, there are limitations to downloading and streaming that affect cross-border trade, while statutory monopoly on copyrights management exists in three jurisdictions.

Restrictions to the movement of people are relatively common across the board and include mostly short stay permits and labour market tests. Under other discriminatory measures, barriers related to accessing public procurement markets for foreign tenderers remain the most common challenge. Discriminatory subsidies are found in 27 countries. Dubbing is regulated in ten countries, and in five of them, must be carried out locally. Limitations on the local sourcing of cast and crew exist in six countries.

As for barriers to competition, apart from general requirements related to minimum capital for new companies, more than half of the STRI countries impose limitations on advertising in films and/or of films. State-owned enterprises are present in 14 jurisdictions. Moreover, arbitration structures to deal with commercial disagreements between rights holders and collective rights managers are in place in all STRI jurisdictions but four. Finally, in three countries, no regulatory authority has the mandate to monitor and if needed intervene in case of anticompetitive practices related to vertical integration in the sector.

Under barriers related to regulatory transparency, cumbersome visa conditions for directors, actors, or other cast in a motion picture production industry as well as procedural hurdles related to business visas are the most common challenges in this sector. In addition, the public consultation process for new legislative instruments falls short of best practice in 10 countries. Finally, measures for effective enforcement of intellectual property rights are in place in almost all jurisdictions covered by the STRI database.

**Table 1. Top 5 most relevant measures by policy area, 2022**

Policy area	Measure	Countries having a restriction <sup>1</sup>
Restrictions on foreign entry	Cross-border data flows: cross-border transfer of personal data is possible to countries with substantially similar privacy protection laws	42
	Acquisition and use of land and real estate by foreigners is restricted	35
	Screening exists without exclusion of economic interests	23
	Limitations on downloading and streaming affecting cross-border trade	15
	There is a statutory monopoly on copyrights management	3
Restrictions to movement of people	Limitation on duration of stay for contractual services suppliers (months)	37
	Labour market tests: intra-corporate transferees	37
	Labour market tests: contractual services suppliers	37
	Other restrictions to movement of people	10
	Memo: Licence or authorisation is required to practice	7
Other discriminatory measures	Public procurement: Procurement regulation explicitly prohibits discrimination of foreign suppliers	43
	Foreign suppliers are treated less favourably regarding eligibility to subsidies	27
	Dubbing is regulated	10
	Local content: limitations on cast and crew	6
	Local content: Obligations to perform dubbing and/or subtitling locally	5
Barriers to competition	Restrictions on advertising	30
	Minimum capital requirements	28
	National, state or provincial government control at least one major firm in the sector	14
	Arbitration structures are in place to deal with commercial disagreements between rights holders and collective rights managers	4
	Vertical integration is monitored and regulated	3
Regulatory transparency	Visas on arrival or visa exemption are available for temporary entry/transit of crew	40
	Range of visa processing time (days)	28
	There is an adequate public comment procedure open to interested persons, including foreign suppliers	10
	Intellectual property rights are enforced: provisional measures are available	3
	Intellectual property rights are enforced: enforcement procedures are available with respect to infringements in the digital environment	1

Note: The count for “memo” type of measures, which are not scored in the STRI, indicate the number of positive answers recorded for that measure across the 50 countries covered. Top most relevant measures are selected on the basis of the following criteria: (1) most restricted horizontal measures (i.e. same answer across sectors), (2) most restricted sector-specific measures, (3) key measures or (4) memos affecting the score of other measures through hierarchy rules.

Source: OECD STRI database (2022).

### More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about services trade policies and their impacts in [Services Trade Policies and the Global Economy](#)
- » Contact the OECD Trade and Agriculture Directorate with your questions at [stri.contact@oecd.org](mailto:stri.contact@oecd.org)