MPA COMMENTS REGARDING THE 2026 NATIONAL TRADE ESTIMATE REPORT ON FOREIGN TRADE BARRIERS

Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Japan, Kenya, Malaysia, Mexico, The Netherlands, New Zealand, The Philippines, Poland, Russia, South Africa, South Korea, Spain, Switzerland, Taiwan, Thailand, United Kingdom, and Vietnam

OCTOBER 2025

MOTION PICTURE ASSOCIATION

MOTION PICTURE ASSOCIATION

October 2025

Filed via www.regulations.gov

Edward Marcus
Chair of the Trade Policy Staff Committee
Office of the United States Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Re: MPA Response to USTR's Request for Comments on Significant Foreign Trade Barriers for the 2026 National Trade Estimate Report (Docket: USTR-2025-0016)

Dear Mr. Marcus:

The Motion Picture Association (MPA) proudly represents one of our nation's most vibrant industries – the American motion picture, television, and streaming sector. Here at home, and around the world, our industry delivers enormous economic value, drives innovation, promotes free expression, and exemplifies our nation's creativity and dynamism to audiences everywhere. To that end, please find in the enclosed submission our industry's observations on significant trade barriers in priority foreign markets. MPA's submission is organized by region and includes specific comments on Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Japan, Kenya, Malaysia, Mexico, The Netherlands, New Zealand, The Philippines, Poland, Russia, South Africa, South Korea, Spain, Switzerland, Taiwan, Thailand, United Kingdom, and Vietnam.

The American motion picture, television, and streaming industry is a major U.S. employer that supported 2.32 million jobs across all 50 states and US$229 billion in total wages in 2023. Nearly 312,000 jobs were in the core business of producing, marketing, and manufacturing motion pictures and television shows. Another nearly 544,000 jobs were engaged in the distribution of motion pictures and television shows to consumers, including people employed at movie theaters, video retail and rental operations, television broadcasters, cable companies, and online video services. The industry also supports indirect jobs in the hundreds of thousands across 122,000 businesses, most of which are small companies that do business with the industry, such as caterers, dry cleaners, florists, hardware and lumber suppliers, and retailers.

This industry is proud to have a trade surplus with virtually every country in the world. In 2023, the enduring value and global appeal of U.S. entertainment earned US$22.6 billion in audiovisual (AV) exports, and our trade surplus was US$15.3 billion, or 6% of the total U.S. private-sector trade surplus in services.

The U.S. motion picture industry distributes its films, television shows, and streaming content to audiences in over 130 countries. With well over half of MPA member companies' revenue earned outside the U.S. each year, MPA has a strong interest in the health and sustainability of these international markets. Accordingly, MPA greatly appreciates USTR's interest in identifying significant trade barriers that jeopardize the growth of legitimate commerce and impair U.S. global competitiveness.

The full potential of U.S. AV exports is inhibited by a range of market access barriers. Countries around the world, developed and developing, continue to maintain restrictive content quotas, advertising restrictions, and foreign investment limitations, traditionally targeting theatrical and pay-TV distribution channels. However, such restrictions are migrating into the online space, threatening the vitality of fast-growing business segments such as video-on-demand and other over-the-top services. Local content quotas, discriminatory or excessive taxes, local content investment obligations, network usage fees, and related measures have the effect of stifling business development, adding a burdensome barrier to market entry, and exacerbating online piracy. Such policies ultimately curb the ability of our industry to compete fairly and limit consumers' access to legitimate content.

MPA aims to expand the legitimate market and protect our member companies' content as it flows to consumers through a variety of traditional and new distribution channels. Legitimate online services allow global audiences to enjoy creative entertainment wherever, whenever, and on whatever device they choose. Consumer demand for high-quality content is driving this global digital trade, which helps support millions of American workers and thousands of jobs overseas.

However, as countries increasingly propose and implement barriers to digitally enabled services, the widespread availability of MPA member content through legitimate channels is placed in jeopardy. Open and reciprocal digital trade is key to our industry's ability to compete globally and to continue offering billions of consumers access to content of their choice. Addressing and dissuading our international trading partners from adopting restrictive and often discriminatory measures is not only beneficial to U.S. industry but also underpins good governance practices, global rule of law, and the exchange of information and ideas.

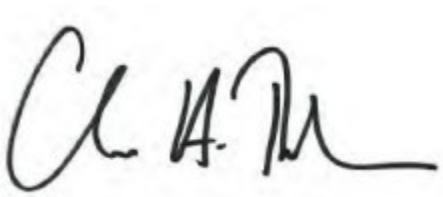
Further, to ensure the continued existence of a thriving, open online marketplace, the U.S. government must encourage countries seeking to regulate the digital industry to use a light-touch regulatory approach, as heavy-handed measures can pose a threat to business development and act as a market access barrier. Further impeding MPA member companies' ability to operate in many important overseas markets is the global proliferation of content theft. The theft and illegal dissemination of content deprives creators of millions of dollars in fair remuneration that they would otherwise use to produce new content and to employ American workers.

In tackling the constantly evolving threat of content theft, MPA continues to forge partnerships with key stakeholders in the online ecosystem, pursuing voluntary agreements and public policies that make it easier for legitimate content to flourish on the internet. Online enforcement efforts are further complicated when intermediaries fail to take adequate steps to ensure their services are not being used to facilitate copyright infringement. Meanwhile, we have in recent years seen emerging

best practices, particularly in Asia-Pacific and European markets, as governments respond to online piracy through site-blocking and notice-and-stay-down systems.

I hope you find the enclosed information helpful. The MPA offers its full assistance and cooperation toward combating the theft of intellectual property, securing effective copyright protection, and ensuring a competitive global marketplace.

Sincerely,



Charles H. Rivkin
Chairman & CEO, Motion Picture Association

REPORTING FORMAT

As with previous years, the MPA has focused its trade barrier submission on those countries and issues where the association and its member companies are most actively engaged. Therefore, the countries included in this year's filing are commercially significant markets or potentially commercially significant markets.

Each year, MPA works under the aegis of the International Intellectual Property Alliance (IIPA) to recommend to the U.S. government those countries' policies and practices that fail to provide adequate and effective protection of intellectual property rights. With this in mind, MPA's Trade Barriers submission highlights principal concerns with countries' intellectual property regimes and defers to the IIPA Special 301 filing for a comprehensive discussion of countries' adequate and effective protection of U.S. intellectual property.

ABOUT MPA

The MPA serves as the voice and advocate of the American motion picture, television, and streaming sectors from its offices in Los Angeles and Washington, D.C. Our members are: Amazon Studios LLC, Netflix Studios, LLC, Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Universal City Studios LLC, Walt Disney Studios Motion Pictures, and Warner Bros. Entertainment Inc.

For further information about this report, contact Charlie Schonberger, Manager of Federal Affairs and Trade Policy, 1600 Eye Street, NW, Washington, DC 20006.

NATIONAL TRADE ESTIMATE

AFRICA

MOTION PICTURE ASSOCIATION

The film, television, and streaming industries hold significant economic potential for African economies. Established film and television industries in Kenya, Nigeria, and South Africa release a multitude of productions each year, available for viewing both locally and globally via streaming and broadcasting. However, across the continent, weak intellectual property protections and deficient enforcement hinder economic growth and limit opportunities for foreign investment.

Pirated copies of movies and television programs are widely available. With growing internet speeds, online piracy is an exponentially increasing problem in Africa, in addition to physically pirated goods. An important factor is the social acceptance of the sale of pirated movies; rather than an illegal act, it is perceived as a means to earn a living like any other. In addition, consumers are drawn to cheap pirated copies given their limited purchasing power, unfamiliarity with the law, and the lack of adequate laws or enforcement. Several services operated and run from Morocco target mainly French-speaking markets. In Gabon, the television operator SatCon Africa continues to rebroadcast pirated materials despite sanctions from Gabonese regulators. MPA asks the U.S. government to monitor for developments and encourage enforcement authorities to uphold the rule of law.

To spur foreign investment and better enable local creators to capitalize on their works, countries in the region should seek to update their copyright frameworks to help address both the opportunities and the challenges of today's digital marketplace, including combating the sale of physically pirated goods as well as pirated copyrighted materials available online. As a first step, governments should be encouraged to adopt and fully implement the WIPO Internet Treaties. These treaties are foundational to the legal infrastructure of digital trade, providing copyright holders with the full panoply of exclusive rights for the digital marketplace, as well as protections for technological protection measures (TPMs), which enable the range of online digital services and help guard against piracy. Notably, Tunisia and Uganda have joined the WIPO treaties since 2022. Moreover, governments should invest in end-user education campaigns to enhance consumers' knowledge of these laws and the dangers of accessing pirated content (e.g., users' exposure to malware that can be transmitted online or via physical goods).

Nigeria amended its copyright act in 2023. While this law should improve online enforcement procedures, it contains highly problematic provisions, including a compulsory license for public interest that would allow the Nigerian Copyright Committee to bypass the copyright owner and authorize use of a copyrighted work to promote public interest. This provision undermines contractual freedom and is incompatible with Nigeria's Berne and WIPO Copyright Treaty obligations. In January 2025, Nigeria approved the Collective Management Regulations, 2025. The regulations include references to extended collective licensing (ECL), although the enabling provision opposed by MPA is not apparent in the final version. For legal certainty, references to ECL should be deleted.

Kenya has still not acceded to, nor implemented, the WIPO Internet Treaties, though it has over the past several years indicated its intention to do so. Kenya should amend the 2020 Intellectual

Property Bill to implement the treaties, including through express incorporation of the three-step test, adequate and effective protections for TPMs, and ensuring that the exclusive rights of both making available and communication to the public are clearly defined. Another piece of legislation, the 2018 Anti-Counterfeit Act (ACA), entered into force in 2023. That act includes a mandatory intellectual property recordation system for any goods protected by intellectual property, including copyrighted works. The ACA implicates both importation and distribution: "it shall be an offence for any person to import into Kenya any goods or items bearing an IPR that has not been recorded with ACA." This mandatory regime, insofar as it restricts the enjoyment and exercise of exclusive rights, is incompatible with the formality-free principle established in the Berne Convention.

In South Africa, the highly concerning Copyright Amendment Bill and Performers' Protection Amendment Bill passed the National Council of Provinces and the National Assembly and were sent to the President for his assent, who instead chose to refer the Bills to the Constitutional Court. These highly problematic bills have drawn strenuous objections from both domestic and foreign rights holders because they would weaken protections for creative works, undermine creators' contractual freedoms, restrict rights holders' ability to produce and operate in the South African market, and bring South Africa out of compliance with international intellectual property norms.

The African Continental Free Trade Area (AfCFTA) has the potential to support and bolster local creators and artists across the continent by promoting robust copyright protections and effective and modern enforcement tools. Although the AfCFTA organized a public stakeholder consultation concerning the annexes of the Intellectual Property Protocol, the Intellectual Property Protocol itself was adopted in 2023 without transparency or prior consultation with copyright stakeholders. MPA remains concerned that the Intellectual Property Protocol may not seize its full potential to bolster Africa's creative industries. In 2024, the AfCFTA Secretariat organized one round of consultations about the principles that should govern the annex on copyright and related rights set out in the Intellectual Property Protocol. The annex will be an operational, binding legal instrument. The first iteration was discussed by the AfCFTA's Committee on Intellectual Property Rights (CIPR) in April, and a second discussion took place in August 2025. Approval by the Council of Ministers is reportedly planned for October 2025. No official consultations with creative stakeholders have been announced, despite requests from several national and international rightsholders' organizations. Although some helpful progress can be acknowledged in the third iteration (circulated after the CIPR meeting in August), several problems remain unaddressed, such as amending the provisions that set out the exclusive rights of making available, reproduction and publication in accordance with international treaties, narrowing overbroad exceptions, establishing appropriate and effective protection for technological protection measures and rights management information, and enhancing enforcement legal mechanisms.

MARKET ACCESS ISSUES

Family Protection Bill – In 2023, the Kenyan Parliament published the Family Protection Bill, which prohibits homosexuality, same-sex marriage, and "unnatural sexual acts," and criminalizes the promotion, encouragement, advocacy, or funding of such activities. The legislation imposes significant penalties on both individuals and corporate entities involved in producing, marketing, advertising, or distributing materials that endorse or promote these activities, and courts may, upon conviction, suspend an entity's license for up to one year or even cancel it entirely. Furthermore, if the prohibited activities target underage audiences, the penalties increase significantly.

INTELLECTUAL PROPERTY PROTECTION

Legislation

While Kenya has indicated its intention to ratify the WIPO Internet Treaties, it has yet to do so.

Mandatory Recordation System – In 2023, Kenya's mandatory recordation system entered into force. The Anti-Counterfeiting Act established recordation as a requirement for the importation of goods protected by any intellectual property rights – trademarks, patents, copyrights, designs – into Kenya. The recording process is cumbersome, introduces additional complexities and costs, and does not offer appropriate redress mechanisms. In addition, mandatory recordation is a formality incompatible with Kenya's obligations under the Berne Convention.

Copyright Bill – In 2023, the Kenya Copyright Board (KECOBO) published a draft bill to review the Kenyan Copyright Act, 2001. While there is no clear timeline or official review process, KECOBO continues to review the proposal. In addition, the Government appears to have decided not to merge the copyright office with the patent and other intellectual property offices in the country. The draft bill has several problematic provisions, including those on copyrightability requirements, the principle of national treatment, exclusive rights that are not in line with international copyright law, overbroad exceptions and limitations, and undue restrictions on copyright enforcement.

A positive aspect of the bill is the proposal to introduce a swift and dynamic site-blocking mechanism. At present, however, its scope of application remains uncertain and appears to be limited to live content only. To be effective, the bill should ensure that this swift mechanism also covers video-on-demand rightsholders, whose content equally requires rapid and dynamic site-blocking orders. Once illegal content is made available online, its dissemination is immediate and widespread, making swift blocking essential to stop the infringement. Moreover, as infringing website operators attempt to circumvent blocks by reappearing under new domain names, rightsholders must be able to obtain dynamic blocking orders. Dynamic blocking orders allow them to promptly update blocking measures with internet service providers whenever a blocked website resurfaces under a new online location. Despite the important precedent set by the civil

site-blocking order obtained before the Kenyan civil court in 2022, that order was not dynamic in nature. Subsequent applications for site-blocking have also proven to be too slow-moving before the courts. A second application, filed in 2023, remains pending to this day. Such slow redress is ill-suited to addressing the massive scale of infringements against content rightsholders' rights, which require swift and dynamic action.

MARKET ACCESS ISSUES

Broadcast Quotas – In 2021, the Independent Communications Authority of South Africa (ICASA) reinstated local content quotas for television. This followed ICASA's 2020 decision to fully exempt "television broadcasting service licensees" from compliance with local television content quotas during the COVID-related National State of Disaster.

"Must Provide" Requirements – In 2019, ICASA published its draft findings on the *Inquiry into Subscription Television Broadcasting Services*. This report suggests regulatory intervention in the pay-TV market to address perceived and alleged anti-competitive conduct from dominant market players. In January 2025, ICASA revived the inquiry by publishing a Supplementary Discussion Document expanding the market definition to include over-the-top (OTT) services. Notably, the document does not propose any regulatory intervention as well as acknowledges that the market is competitive. MPA is closely monitoring this inquiry and hopes that the South African government will ensure that any regulatory interventions into the pay-TV and OTT markets are informed by international best practices, current market realities, and preserve the contractual freedoms of all parties concerned, all while developing a legislative and regulatory framework that is conducive to investment and growth.

Video-on-Demand Quotas – For several years, the Department of Communications and Digital Technologies (DCDT) has considered how to adapt South Africa's content regulatory framework to the online marketplace. DCDT recently published the third Draft White Paper (DWP) on Audio and Audiovisual Media Services and Online Content Safety. While previous drafts recommended the imposition of local content quotas and a digital service tax (DST), this draft removed these references. However, DCDT is still considering ways for online content services to contribute to the production of local content. Regarding the permit framework needed to operate in South Africa, the DCDT is proposing that online content services become registered with ICASA, effectively being subjected to the same registration requirements as broadcasters. The mention of a site-blocking mechanism for the removal of infringing content has also been deleted. The new draft proposes to establish an ombudsman with the focus of becoming a dispute resolution function, especially within the online environment, which is envisaged to operate alongside representatives of existing regulatory bodies to "address the gap that exists between current legislation and the exponential growth in platforms and services that are not addressed by legislation at the present time." Finalization of the DWP is expected by March 2026.

Online VAT – South Africa currently levies a 15% VAT on the online selling of content, including films and television programming. As of 2019, income from services provided to South African businesses by foreign businesses is also subject to the VAT.

DST Proposal – In the 2025 iteration, South Africa's revised version of the DWP on Audio and Audiovisual Media Services and Online Content Safety removes mention of the 2% turnover tax first introduced in the 2023 iteration. However, the newest iteration introduces a proposal for a

new registration regime applicable to online content services to address the perceived fiscal gap in tax contributions by non-resident players.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

South Africa lacks the tools to enforce against online piracy meaningfully. Three primary enforcement deficiencies are: the inability to act against foreign infringers who do not own assets in South Africa; the lack of no-fault injunctions to stop activity that facilitates piracy; and the lack of statutory and punitive damages for infringing parties. As such, MPA notes with concern that in the third DWP on Audio and Audiovisual Media Services and Online Content Safety, DCDT has withdrawn its earlier recommendation to introduce a site-blocking and delisting mechanism under the Electronic Communications and Transactions Act, 2002.

Content theft and illegal distribution are among the most significant threats to the viability of the film, television, and streaming industry. These issues deprive rightsholders, producers, talent, and investors of rightful earnings. These illegal activities often fund organized crime, as organized criminal networks actively practice content piracy. Moreover, content theft poses significant risks for consumers through malware applications being downloaded alongside the pirated content, exposing them to hazards such as identity theft, credit card fraud, and cyber-attacks, amongst other concerns. It is in the best interests of all stakeholders that an effective and efficient mechanism exists which can be relied upon to prevent the abuse of information and communications technology infrastructure by pirate site operators, and to block user access to websites that are primarily designed to infringe on intellectual property rights and pose risks of consumer harm.

One of the biggest enforcement challenges governments and rightsholders face when attempting to clamp down on structurally infringing websites is that these services are typically located in foreign jurisdictions, and the identities and physical locations of the operators are not determinable. In South Africa, it is not currently possible to take effective action against non-domestic operators of pirate sites that locate their services in other countries while targeting South African consumers.

The international community has moved towards the implementation of statutory no-fault site-blocking remedies to foster a collaborative environment in which rightsholders can work with Internet Service Providers (ISPs) and other internet intermediaries to block user access or divert internet traffic away from these harmful websites.

MPA welcomed that the previous version of the DWP had recognized the need for a "streamlined and fast track process for removal and site-blocking," and would recommend that this issue again be expressly articulated in the Revised DWP.

Legislation

Copyright Amendments – The Copyright Amendment Bill and the Performers' Protection

Amendment Bill contain several concerning provisions that would introduce legal uncertainty on key issues, weaken protections for creative works, and impose severe limitations on contractual freedom, further deterring foreign investment in the film and television production industry. Moreover, multiple aspects of the provisions would place South Africa in violation of international copyright norms, and the bills' online enforcement remedies are inadequate. South Africa's creative industries have overwhelmingly and consistently opposed these bills since their initial adoption by South Africa's Parliament in 2019. In 2024, the National Assembly adopted the bills, which were then sent to the President, who referred them to the Constitutional Court. The case is currently pending.

Cybercrimes Act – The Cybercrimes Act, 2020 (CBA), was signed by the President in 2021, though only certain sections have entered into force. The CBA defines an Electronic Communication and Service Provider (ESCP) very broadly and imposes an obligation on ESCPs to report cyber offenses within 72 hours of becoming aware of them. Failing to do so makes them liable to a fine and extensive data retention requirements. The government should continue to consult on the scope and impact of the law.

Films and Publications Amendment Act – The Films and Publications Amendment Act, 2019 (FPAA) entered into force in 2022, expanding the Film and Publication Board's (FPB's) mandate to that of a content regulator. This means that the FPB now has the authority to issue, renew, and revoke licenses for commercial online content distribution and to adjudicate consumers' content complaints. It is encouraging that the FPAA enables the FPB to accredit foreign classification systems and allows distributors to self-classify. However, the FPB is advancing proposals to vastly increase the current "per content title tariff cap" and to implement a new tariff that would dramatically increase annual license fees, potentially discouraging increased online content distribution in South Africa.

Indigenous Knowledge Act – The Government invited public comments on draft regulations to implement the Protection, Promotion, Development, and Management of Indigenous Knowledge Act, 2019 (IK Act) in 2023. Questions remain about its practical implementation, and key problematic areas remain unaddressed, most notably regarding the registration process, the possibility of lodging oppositions to registrations, the impact on existing intellectual property laws and rights, and whether it applies to pre-existing works. The penalties are completely disproportionate and do not provide meaningful guidance on what would constitute infringement. Such uncertainty could discourage and disincentivize the commercial use of particular works in South Africa. The Department of Science and Innovation has yet to respond to stakeholder submissions filed in 2023. MPA encourages further engagement and consultation on the IK Act and draft regulations.

NATIONAL TRADE ESTIMATE

ASIA PACIFIC

MOTION PICTURE ASSOCIATION

ASIA-PACIFIC

The dynamic markets of the Asia-Pacific region offer substantial growth opportunities for MPA members. However, the full potential of these markets is often hindered by market access restrictions and/or inadequate copyright protection and enforcement.

Market access barriers faced by the region's theatrical, television, and streaming industries come in various forms, such as content quotas, limitations on foreign investment, and restrictions on dubbing and advertising. Local screen and content quotas applied to theatrical and/or pay-TV businesses in Australia, China, Indonesia, Malaysia, South Korea, Taiwan, and Vietnam not only limit consumer choice but also contribute to piracy by reducing the licensed content available; this is detailed further in the 2024 *Policy + The Rise of K-Content* research report focused on South Korea. In addition, foreign ownership and investment restrictions in markets such as China, India, Malaysia, the Philippines, Taiwan, Thailand, and Vietnam impede the U.S. industry's ability to support and grow the respective local creative economies. Furthermore, stringent advertising, dubbing regulations, and censorship requirements across the region make it difficult for U.S. companies to monetize and distribute their content.

For decades, governments in the region have imposed content quotas and other restrictive regulations on traditional distribution channels and have, in some cases, proposed similar restrictions for the online over-the-top (OTT)/video-on-demand (VOD) markets. Applying these regulations to OTT/VOD services would limit consumer choice, hinder business development, and create significant barriers to market entry in this sector. Some governments, such as Australia, are considering mandates requiring VOD services to invest in local content, which would contravene Australia's bilateral trade obligations to the U.S. Other governments, including Indonesia, Taiwan, Thailand, and Vietnam, are either considering or have already put in place local presence requirements. The governments of India and Indonesia have also previously expressed reservations about making the WTO e-commerce moratorium permanent, which would undermine global consensus on not imposing duties on electronic transmissions and introduce uncertainty into the online marketplace, particularly for OTT/VOD services. MPA welcomes Indonesia's recent commitment, detailed in the Joint Statement on Framework for United States-Indonesia Agreement on Reciprocal Trade, to support the permanent extension of the moratorium. To that end, we encourage Indonesia and India to support the permanent extension at the next WTO Ministerial Conference to be held in March 2026.

MPA strongly opposes the imposition of network usage fees on content service providers. The South Korean government has implemented an interconnection policy that imposes a "mutual settlement" requirement amongst licensed operators for traffic exchange. Additional mandatory fees are currently under consideration by South Korea's 22nd National Assembly. These proposals would undermine freedom of contract, prejudice the interests of content providers operating in the market, and violate Korea's bilateral trade obligations to the U.S. Additionally, Thailand's National Broadcasting and Telecommunications Commission, some Indian internet service providers, and some Australian telecommunication companies have also called for such measures; in more recent

years, such calls have become less prevalent, but still continue to emerge and we are closely monitoring any proposals which may arise in the region.

The region faces challenges due to taxation as well. The entertainment tax in Malaysia, along with the Indian Local Body Taxes on theater admissions (which are imposed on top of the Federal Goods and Services Tax), creates disparities in ticket prices, limiting the growth of the theatrical industry in these markets.

Censorship practices in certain Asia-Pacific economies, such as China, remain opaque, unpredictable, and inefficient, often leading to de facto discrimination against foreign content. MPA encourages these countries to shift towards industry self-regulation and adopt classification standards based on international best practices. Clear, transparent guidelines for self-classification are essential to ensuring an expeditious process and equal treatment of all content regardless of origin.

These market access issues only exacerbate intellectual property theft, which poses a constant and serious threat to MPA's member companies in the Asia-Pacific region. We have seen for years the rapid proliferation of operators of pirate online streaming, pirate Internet Protocol Television (IPTV) services, and illegal applications (installed both on phones and other "smart home" devices). We have also seen several globally popular "Piracy-as-a-Service" (PaaS) offerings come from Asia-Pacific-based operators. PaaS constitutes a suite of off-the-shelf services that make it easy for would-be pirates with little to no technical knowledge to create, operate, and monetize a fully functioning pirate operation, such as databases of infringing content, as well as the hosting and advertising of providers specialized in servicing infringers. The development of PaaS services is just one example of the scale, sophistication, and profitability of modern online commercial copyright infringement. The development of PaaS services has become a key concern of the motion picture industry and a top priority for its anti-piracy efforts.

Other related problems involve the proliferation of pirate applications and illicit streaming devices (ISDs), which employ these apps and are most often sold by online e-commerce platforms and physical resellers. Since consumers pay for the devices and "premium" subscriptions on the apps, consumers think they have purchased content legitimately from pirating operators. ISDs – either pre-loaded with apps or including apps downloaded as an after-service – offer unauthorized access to dozens of pay-TV channels or streaming services, large volumes of on-demand movies and television series, and/or live streaming events that are made available without authorization. Because the manufacturers never indicate an unlawful purpose, governments often shy away from enforcement. Other criteria, such as the way distributors and resellers market them, as well as other instructional material offered together with the sale, can help prove the unlawful purpose. Malaysia, Singapore, and Taiwan have helpfully outlawed the manufacture and supply of ISDs and related apps, but little enforcement action has been explicitly seen targeting boxes that are deliberately sold non-preloaded, but with instructional materials to install infringing apps and services after. Authorities must now actively enforce these existing laws and take action to deter those attempting to circumvent them through similar means. Other countries' laws need to be updated to address this form of piracy. Rightsholders, governments, and other stakeholders in the

online ecosystem must collaborate to address this growing regional problem. Regarding pirate apps, MPA works to help through app store removals and site-blocking effectively, but governments should contribute more to solving the proliferation of piracy apps. MPA supports efforts by Asia-Pacific economies to discuss and address this persistent challenge.

MPA urges governments in the region to enact effective laws and regulations that protect copyrighted content on the internet, consistent with international treaties, regional agreements, and bilateral trade agreements' intellectual property chapters. The 1996 WIPO Internet Treaties include a robust "communication to the public" and "making available" right for online transmissions, as well as prohibitions against the act of trafficking in devices used for the circumvention of tools that protect copyrighted works in the online market.

Criminal laws, however, do not prioritize copyright piracy as an offense. The overall lack of deterrence means pirates often operate in a relatively safe legal vacuum, especially in countries that have weak laws and penalties coupled with weaker or non-existent enforcement. Asia-Pacific governments should ensure that their legal framework adequately and effectively allows for enforcement against online piracy. Laws should include substantial deterrent criminal penalties and fines with both reasonable thresholds and provisions that are designed to encourage meaningful removal of piracy listings and content by intermediaries participating in, and profiting from, the use of their online services to locate pirated materials. Payment processors and online advertising services should restrict money flows and advertising revenues to piracy services, thereby depleting their income sources. Other intermediaries, including domain name registrars and registries, alternative DNS services, and reverse proxies, should take responsibility for preventing pirates from using their services to operate.

Site-blocking through no-fault injunctive relief is an established best practice to reduce online copyright infringement. This highly effective anti-piracy tool allows governments to disable access to copyright-infringing websites, thereby reducing piracy site visits and increasing access to legal services. Countries employ different methods based on statutory authority, including judicial injunctive relief and administrative orders. This remedy has been proven in the region to reduce piracy visits by up to 99% to the sites in which access has been disabled. It is also shown through economic studies to increase legal consumption of heavy pirate users by up to 53%. In addition, in recent years, search engines have agreed to remove piracy domains from their search results, which has led to a 25% decrease in piracy visitation to sites when compared with site-blocking alone.

With the rise and increasingly wide usage of generative AI technologies, certain markets, notably Japan and Singapore, have implemented expansive text and data mining (TDM) exceptions in their copyright laws. These exceptions allow the use of online data (including copyrighted works) to train AI datasets, including both commercial and non-commercial uses, in an overly broad manner (i.e., inconsistent with the three-step test). Japan has provided some helpful clarity on its position on the lawful access of copyrighted works with respect to its TDM exception. Singapore should similarly offer clarity around the scope of its provision and provide rightsholders the capacity to opt out in an effective and non-burdensome manner.

The global norm for the term of copyright is 70 years after the death of the last surviving author, and 70 years for subject matter in which the term is determined from the date of publication. More than 90 countries throughout the world have adopted terms of protection in this range. As countries throughout the region look to bolster their creative industries, attract foreign direct investment, and avoid discriminatory treatment of their own works, they should extend their terms of protection in line with international best practice. India, Indonesia, Malaysia, the Philippines, Taiwan, Thailand, and Vietnam should extend their terms of protection in accordance with global norms.

Recognizing the strong links between organized crime and copyright infringement throughout the region, MPA appreciates the U.S. government's efforts to secure copyright infringement as a predicate offense under organized crime laws or money laundering laws. The Budapest Cybercrime Convention should be ratified throughout the region, offering tools such as asset forfeiture as well as information sharing to assist civil case preparation. Australia, Japan, the Philippines, and Sri Lanka are parties to the convention, and New Zealand and South Korea are observers.

Some Asia-Pacific countries, most notably South Korea, are considering amendments to copyright law that would legislate unwaivable statutory remuneration rights, providing additional remuneration beyond negotiated compensation for authors, directors, performers, and screenwriters. Such proposals would create considerable uncertainty around individual market compensation practices, including agreements providing for ongoing compensation and future costs, curtail freedom of contract, and have a potentially significant chilling effect on investment in the screen sector, leading to adverse outcomes for consumers (including harming the diversity of content and higher prices for end-users). South Korea should avoid further consideration of such problematic provisions in proposed revisions of copyright laws.

Illicit camcording remains problematic in certain markets. In 2011, APEC Members agreed on *Best Practices* that encourage the enactment of effective policies and laws to address camcorder piracy, including legislation that criminalizes unauthorized camcording in theaters and fosters cooperation among cinema owners to detect and remove those engaged in this highly damaging activity. Implementation of these APEC recommendations would continue to help many of these markets curb illicit camcording in the region.

Pay-TV piracy, a longtime challenge, is now often interconnected with other forms of online piracy in the region. Some illegal websites and IPTVs now specialize in the unauthorized online retransmission of a slate of television channels through pirate services. Increasingly, many rightsholders face the theft of their live broadcast signals, including live sporting events. Laws should be updated to address this new threat.

U.S. FTAs with Australia, Singapore, and South Korea have provided an essential means to enhance intellectual property rights protection with key Asia-Pacific trading partners. These agreements have historically tended to eliminate burdensome market access barriers, benefitting

both U.S. industry and the local creative economy. Further, these binding and enforceable agreements have been essential to warding off harmful policy proposals and ensuring that US companies continue to be able to enjoy a fair and level playing field. MPA takes note of the strong intellectual property disciplines codified in trade agreements forged by New Zealand with the government of the United Kingdom and separately with the EU, including novel but important provisions on no-fault "injunctive relief" and the first "blocking" obligation, requiring third parties over whose services infringement occurs to disable access to the infringing websites. Vietnam is now subject to a regional agreement to provide stronger criminal remedies for "commercial scale" infringements including "acts carried out for commercial advantage or financial gain" as well as "significant acts, not carried out for commercial advantage or financial gain, that have a substantial prejudicial impact on the interests of the copyright or related rightsholder in relation to the marketplace." This should make it easier for prosecutors to seek deterrent penalties against piracy operators. MPA strongly supports the negotiation of trade agreements that improve the protection and enforcement of copyright, augment market access, and foster a healthy online marketplace for copyright materials.

MARKET ACCESS ISSUES

Over-the-Top/VOD Local Content Obligations – In recent years, there have been multiple reviews regarding the availability of Australian content and the disparity in local content obligations for free-to-air broadcasters and digital services. In 2019, the Australian Competition and Consumer Commission – through its *Digital Platforms Inquiry Final Report* – recommended "harmonization" of content regulation across broadcast and video-on-demand (VOD), introducing the possibility of local content obligations extending to VOD services. The Albanese Government, in its 2023 National Cultural Policy, expressed a commitment to introduce an investment obligation for VOD services by 2024. To date, there has been no evidence supporting claims of a market failure in this area, and data on investment in Australian content for streaming services continues to indicate both high levels of production and wide availability for subscribers. There remains no necessity for quotas or obligations to invest in local content. If enacted, such a mandate would be violative of Australia's FTA commitments to the U.S. Australian government officials have indicated that questions around compliance with the AUSFTA may be delaying this legislative commitment, although publicly, the government's policy stance has not changed.

Broadcast Quotas – According to Section 9 of the Australian Communication and Media Authority's Content Standards, and as reaffirmed in the 2016 Broadcasting Services Standard, 55% of all free-to-air television programming broadcast between 6:00 a.m. and midnight must be of Australian origin. In addition, under Section 102 of the Broadcasting Services Amendment Act, pay television channels that feature more than 50% drama programs in their schedules are required to allocate 10% of their total drama programming expenditures towards new Australian or New Zealand programs. Although AUSFTA capped broadcast quotas for analog TV at the existing 55% level and capped sub-quotas at existing levels, these limitations still pose a barrier to market entry. Furthermore, Australia reserved the right to extend these quotas to digital broadcast TV, though the obligation can apply to no more than three multiplexed channels of any current broadcaster.

Network Usage Fees – Since 2022, Australian telecommunications companies Optus and TPG have publicly urged digital services to make a "fair contribution" to telecommunication capacity and costs. The Australian Government noted in 2023 that it was monitoring developments in the EU. While there have not been specific efforts to introduce any regulations, to this effect, such a contribution, if mandated, would restrict trade and freedom of contract.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Australia has developed excellent tools to fight online piracy, including effective laws allowing for no-fault injunctive relief for internet service providers (ISPs) to disable access to piracy services and online search engine providers to remove pirate domains from their search results.

Rights holders have successfully obtained dozens of court orders directing ISPs to disable access to thousands of piracy domains, which, according to the MPA's research report on *Measuring the Effect of Piracy Website-blocking in Australia on Consumer Behavior: December 2018*, has led to significant reductions in visits to pirate sites by up to 95% and increases in visits to legitimate VOD services by up to 5% as a result of these court orders. Australian courts have now also ordered the disabling of access to numerous notorious pirate brands and to content delivery services like pirate cyberlockers. The efficacy of this approach is evident in the migration of heavy piracy users to legally paid VOD services and the cooperation of online search engine providers to delist piracy sites from their search results. In 2025, MPA entered the first voluntary arrangement with an ISP to block sites and looks to increase positive cooperation with others.

Legislation

Copyright & AI – MPA is engaging with the Productivity Commission's inquiry into "Harnessing Data and Digital Technologies." The Commission's interim report, released in August 2025, seeks feedback on a new text and data mining exception, which is tied to Australia's fair dealing copyright framework. MPA cautions against rushed changes to the copyright framework in Australia, which is already well-equipped to accommodate the development of new technologies such as generative AI through the robust growth of voluntary licensing markets for AI training use cases.

MARKET ACCESS ISSUES

Import Quotas/Revenue Share – Despite China's commitment under the 2012 US-China Film MOU to allow an additional 14 "enhanced format" foreign revenue-sharing films into its market annually, it maintains an annual quota of 34 foreign revenue-sharing films. Additionally, in 2017, China committed to a meaningful increase in the compensation of US studios, as the current 25% U.S. share of revenue is considerably lower than comparable markets and the international standard. Moreover, in practice, distributors are deducting online ticket distribution fees before calculating the U.S. studio share, resulting in an actual allocation of less than 25% of the gross box office revenue specified in the MOU. To date, no new MOU has yet been concluded.

Government Film Importation and Distribution Monopoly – The China Film Administration (CFA), formed in 2018 to replace the State Administration of Press, Publication, Radio, Film and TV (SAPPRFT), continues to limit the importation and distribution of foreign films to a single state-owned importer and two distributors: China Film Group and HuaXia Film Distribution Company Ltd. Although the 2012 Film MOU stated that any properly licensed Chinese enterprise may distribute imported films, CFA has yet to approve any new private distributors. The CFA and China Film Group also determine the release dates and duration of foreign films' theatrical runs, often constraining US producers' ability to realize the full commercial value of their films.

Blackout Periods During Peak Seasons – To shield their domestic films from competing with foreign releases during peak movie-going periods, the Chinese government has historically imposed "blackouts" during which no new foreign films may be released. These blackouts typically coincide with national, school, and summer holidays, or political events. Such restrictions diminish theatrical revenues and drive consumers to piracy websites for foreign blockbuster titles. Foreign producers, including those in the U.S., should be allowed to choose their release dates.

Screen Quota – According to State Council regulations, the public screening of foreign films must not exceed one-third of total annual screen time.

Film Development Fund – In 2016, the now-replaced SAPPRFT issued a Notice allowing the refund of a percentage of the Film Development Fund collections to cinemas if they report favorable annual box office receipts from the screening of Chinese films. Under the Notice, if 66% or more of a cinema's total yearly gross box office comes from Chinese films, the cinema is eligible for a 50% refund on its contributions to the Film Fund for Chinese films. This incentivizes cinemas to prioritize domestic films, further disadvantaging foreign films' ability to compete in the Chinese market.

Online Video Restrictions – The Chinese Government has imposed several regulations that limit online media distribution. Websites and video-on-demand (VOD) operators must secure permits and restrict online distribution of foreign content to 30%. This cap is further narrowed by country

and genre, effectively limiting U.S. content to less than 10% in real market terms. The content review process allows limited submission for registration and censorship review and restricts content review by provincial authorities, contributing to further delays and uncertainties. Furthermore, it requires foreign TV series to be submitted as complete seasons as opposed to the global market practice of individual episodes. Foreign titles that have already premiered in the home country must have a rating score of above six out of ten on online platforms like Douban or IMDb before submission. These policies have significantly curtailed the number of U.S. film and TV programs licensed in China and day-and-date releases, leading to delays that exacerbate piracy as unauthorized content remains freely accessible without such restrictions. China's online video policies increasingly create uncertainties and barriers and have disrupted the growth of and access to the country's online video market. In addition, official engagement with the National Radio and Television Administration (NRTA) remains challenging. MPA sent a letter to the NRTA in February 2025, offering solutions to address some of the operational challenges, but has not received a response.

Censorship – The CFA and NRTA, their provincial branches, and Chinese Central Television perform various censorship functions related to film, video, television, and online content. Meanwhile, piracy websites and services freely and easily move unauthorized content into the market with no censorship concerns or delays. China should consider adopting an age-based classification system to facilitate the growing Chinese film industry's integration into the international classification system and eliminate the advantage that uncensored pirated content has over legitimate market players. China should also shorten the content review process to provide certainty of release, increase the frequency of content review windows, remove the burden of resubmitting film and TV programs that have already been approved, and establish a fast-track system for content review under special circumstances, such as theatrical films for the growing Premium VOD business model. A transparent, predictable, and expeditious content review process would reduce barriers to entry and attract investment. In 2022, the NRTA introduced a new administrative licensing system for domestic online audiovisual (AV) works, which essentially applies the same rules and standards as those already in place for censoring theatrical and online content. This reflects a further tightening of government oversight for online AV works and the push for a higher standard of censorship for the online content industry in China.

In 2023, the revised Anti-Espionage Law, initially introduced in 2014, came into effect. The revisions significantly broaden the scope of what constitutes "espionage" and grant relevant authorities enhanced powers to investigate and prosecute suspected espionage activities. Many provisions in the revised law were previously included in existing regulations, such as the Anti-Espionage Law's Implementing Rules from 2017, which outlined enforcement procedures, and the Provisions on Anti-Espionage Security Precautions from 2021, which have been mainly integrated into the updated law. The consolidation of these amendments into a single, powerful Anti-Espionage Law with broad applicability is significant. The most notable change is the expanded definition of "espionage," which now encompasses the collection, storage, or transfer of any information deemed relevant to national security interests, including "documents, data, materials, or items." This definition was previously limited to classified information and state

secrets, and such a broad interpretation could lead to uncertainties even in the context of friendly collaborations.

Foreign Investment Restrictions – China prohibits foreign investment in film importation, distribution, and production, despite its stated intention to enhance market access as part of its Five-Year Economic Development Plan. This extends to pay-TV, online audiovisual services, and production, effectively barring U.S. content creators from competing in China's audiovisual marketplace. The 2024 Negative Investment List does not relax these prohibitions, thus limiting US content creators and distributors' participation in the market.

Television Quotas – Currently, foreign TV series are typically capped at 50 episodes per year, and foreign animation is limited to 40% of total airtime. Importers of foreign animation are required to produce an equal amount of domestic animation. Additionally, foreign content on pay-TV is restricted to 30% of daily programming on a domestic pay-TV channel. China further prohibits the retransmission of a foreign channel on pay-TV except in hotels with a three-star rating or above. Such restrictions should be removed or relaxed to promote a fairer competitive landscape.

Local Printing/Duplication Requirement – China mandates that digital film prints be replicated in local laboratories, hindering U.S. rightsholders' ability to control the print quality and to trace the sources of camcording piracy.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – The illegal downloading and streaming of films from MPA member companies remains a serious concern in China. The National Copyright Administration of China (NCAC) has initiated special enforcement campaigns every year since 2005. However, rightsholders would welcome increased effectiveness in outcomes of enforcement efforts against targets referred to in the NCAC campaign. Furthermore, the NCAC's administrative sanctions are not enough to deter persistent piracy through websites, apps, and related services. Piracy over cloud storage services (or cyberlockers) remains prevalent, with links to unauthorized content disseminated through popular Chinese social media platforms, piracy linking sites, and e-commerce platforms. More needs to be done to ensure that such services assist rightsholders more effectively in the fight against piracy. A new judicial interpretation published by the Supreme People's Court and Supreme People's Procuratorate earlier this year appears to include potential liability on intermediaries providing services such as online storage and server hosting. Still, it remains to be seen if any proactive and effective enforcement action will be taken against such services. China's authorities should also continue to focus on infringing websites, illicit streaming devices (ISDs), and apps – including the facilitation of infringing content being distributed on social media and cloud storage platforms – which threaten the continued growth of legitimate business. Enforcement against unauthorized content made available through social media and e-commerce platforms is also challenging, with many such platforms imposing burdensome procedural and documentary requirements. Such requirements, coupled with the voluminous number of listings and slow processing of complaints, create practical difficulties for rightsholders in removing such unauthorized listings.

ISDs, IPTV Services, and Apps – China is a leading source for the manufacturing and trafficking/exporting of devices that permit the installation of third-party, pre-loaded, or post-purchase infringing applications. This illegal business practice enables consumers to access pirated content easily, even when devices and infringing activities are geo-blocked in China by their own operators. Such services are believed to be operated (at least in part) from China and distribute content globally, while seeking to evade enforcement locally. Many of the illegal Internet Protocol Television (IPTV) services advertised to customers worldwide are bundled or pre-loaded on devices originating from China, and these Chinese companies and individuals facilitating such activities should be held to account. Despite copyright infringements occurring under the control of a Chinese individual or entity, rights holders find it difficult to enforce against violations through the Chinese courts because of uncertainties surrounding the legal liabilities for such cases. While non-copyright remedies might be available, Chinese authorities may show reluctance in getting involved when services are geo-blocked in China despite the widespread harm they are causing outside of the market. In addition, enforcement against pirate apps is a challenge due to their availability on various third-party app repositories, which have not been as amenable to intermediary outreach efforts by rights holders when compared to larger app stores.

Enforcement

Criminal enforcement efforts have seen some improvement. There were convictions in China over a notorious piracy website targeting Japanese users, and criminal prosecutions against subscription-style websites. Civil litigations are brought more often against major Chinese piracy services. Damages in these cases, however, tend to be relatively non-deterrent, and the lack of broad injunctive relief leaves these services operating with damages and lawsuits seen as simply the cost of doing business.

In an ongoing effort to combat piracy, China has been operating its annual "Sword Net" anti-piracy campaign for over 20 years. While the campaign has produced some good results in the past, such as criminal referrals, there is a need for timely and detailed information regarding the process, the results of administrative actions, and more consistent treatment of high-priority cases across provinces. Furthermore, due to the territoriality issue described above, Chinese authorities show reluctance to act against piracy services that are not accessible within China, even when they are hosted or run by operators located within China. This allows China-based operations to evade enforcement action by simply geo-blocking their services from access within China.

The 2025 "Sword Net" anti-piracy campaign focuses on the copyright protections of AV works, computer software, and works and derivative products related to anime and games. The campaign aims to crack down on piracy spread through online storage services and the online sale of ISDs. Despite China's stated intention to increase administrative enforcement efforts, the previously outlined issues are also prevalent in the campaign. In the meantime, rights holders have continued to take steps to protect their rights in China where possible, including through civil litigation and voluntary outreach with e-commerce platforms.

Legislation

Strengthening the Protection of Intellectual Property Rights – In 2019, the Chinese government released a set of guidelines that set out enforcement goals, including agreeing to reduce criminal thresholds, applying punitive damages for intentional copyright infringement with serious circumstances, and providing a mechanism to disable access to infringing websites. The government has passed several regulations, guidelines, opinions, and judicial interpretations, many of which touch on necessary enforcement and judicial functions (including increasing criminal penalties, preservation orders, and calculation of damages in internet piracy cases). The government should continue to ensure the effective implementation of legislative and enforcement measures.

Copyright Law amendments entered into force in 2021, introducing several general enforcement improvements, including by increasing maximum statutory damages and creating stronger presumptions against infringement defendants. China should speed up the revision and promulgation of "Implementing Regulations of the Copyright Law," in accordance with the Copyright Law amendment. Meanwhile, judicial documents (including new legal interpretations and procedural guidelines) from the Supreme People's Court also improve the position of rightsholders generally by clarifying, strengthening, and/or streamlining the application of copyright and other intellectual property laws with respect to civil and criminal enforcement actions brought in Chinese courts.

China has eliminated the distinction between intellectual property crimes committed by entities and individuals in the judicial interpretation of the Supreme People's Court and the Supreme People's Procuratorate that was released and entered into force in April 2025. The judicial interpretation also lowers the criminal threshold of intellectual property infringement, provides criminal thresholds of online copyright infringement, adds more circumstances for conviction, introduces heavier punishment, and raises the maximum fine. China should criminalize internet offenses that may lack a demonstrable profit motive but damage rightsholders on a commercial scale; fairly balance criminal liability with the greater harms caused by online piracy by lowering the 500-title threshold for internet piracy such that a single episode in a television/VOD series is counted as one title; and extend the term of protection in line with the global norm. The government should also make the act of illegal camcording in cinemas subject to civil, administrative, and criminal remedies.

E-Commerce Law – In 2018, the Standing Committee of the National People's Congress enacted the final version of the China E-Commerce Law, which became effective in 2019. This law establishes a comprehensive legal framework to regulate China's rapidly expanding e-commerce sector, encompassing online transactions of physical goods and the provision of services. The law stipulates that a platform operator's required standard of knowledge regarding infringing goods or services is that they "know or should know" about such infringements. It is essential for the E-Commerce Law to empower rightsholders to act against the illegal trafficking of pirated content and circumvention devices on e-commerce platforms.

CHINA (CONT.)

In 2020, the State Administration of Market Regulation (SAMR) issued a Guiding Opinion on strengthening regulatory standards and compliance of online live marketing practices, including compliance with the E-commerce Law, to protect consumer rights against infringing activities. In 2021, SAMR proposed a draft amendment to the E-Commerce Law for public comments, which allowed the revocation of platforms' licenses if they fail to take necessary measures against vendors that are found to have infringed intellectual property rights. China should include unauthorized online broadcasting of movies, TV dramas, TV programming, sports events, other AV works, and the sale of AV products and/or provision of services that enable unauthorized access to copyrighted AV works as part of the scope of illegal activities of online marketing practices.

MARKET ACCESS ISSUES

Censorship – In 2021, Hong Kong amended and published its film censorship guidelines under the Film Censorship Ordinance (Cap. 392). This was followed by legislative amendments to the Ordinance, which came into effect in 2021. The revised guidelines have an expanded scope to include censorship of films based on "national security grounds" under the HKSAR National Security Law. The uncertainty regarding the interpretation of the revised guidelines is a concern for international film exhibition in Hong Kong.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Illegal streaming websites and the easy availability of illicit streaming devices (ISDs) in physical and online marketplaces remain concerns in Hong Kong. Due to the absence of case law interpreting the improved 2022 amendments to the Copyright Ordinance, copyright holders face uncertainty in obtaining effective civil relief in relation to illegal video streaming on online platforms. While there has been some criminal enforcement of intellectual property crimes, specifically the sales of ISDs, alongside sporting events and seasons, more consistent and proactive enforcement action is necessary to address the increasing popularity of this form of piracy. The government, in adding the "making available" right, may have paved the way for enforcement efforts in the online environment. Until such procedures become transparent with due processes put in place, enforcement in the online environment may remain difficult. MPA urges the HKSAR Government to continue its efforts to strengthen copyright protection.

Legislation

Copyright & AI – In 2024, the Hong Kong Intellectual Property Department initiated a public consultation on Copyright and AI, which included a proposed text and data mining (TDM) exception. Following this, in February 2025, they concluded that a TDM exception was "necessary." If the Hong Kong Government were to proceed with a new TDM exception, it must contain safeguards for rightsholders, including lawful access, the ability to opt out in an effective and non-burdensome manner, and clear copyright transparency provisions. Following pushback from industry (including MPA), it is currently unclear when or if the Hong Kong Government will introduce legislation to implement a new policy for a TDM exception.

MARKET ACCESS ISSUES

VOD/OCC Content Regulation – Since 2021, the Indian government has enabled industry self-regulation for video-on-demand (VOD)/online curated content (OCC) through its IT Act and Rules; content grievances are reviewed and handled by a three-tiered system of service operators, industry oversight bodies, and, in exceptional cases, a review panel with government representation. This framework has worked well to foster India's dynamic digital curated content market and ensure industry-led oversight, accountability, and redressal without imposing undue restrictions on creativity or operational flexibility. The system has proven to be both effective and proportionate in addressing concerns across the online content ecosystem. MPA cautions against legislative or regulatory interventions, which continue to be suggested, that could limit consumer choice or access to India's burgeoning curated content industry.

Broadcast Regulations – The Indian government regulates the uplink and downlink of satellite signals beaming into India. Foreign broadcasters are required to set up government-licensed offices in India and must pay prescribed fees per channel beaming into India. More generally, India's Telecom Regulatory Authority (TRAI) imposes an onerous set of economic regulations on the broadcast sector, thus stifling innovation and hindering competition. For example, TRAI has issued tariff orders that prescribe price ceilings for channels that broadcasters bundle into bouquets and then charge to consumers (these orders were upheld by India's Supreme Court in 2018), creating regulatory uncertainty around the pricing of pay-TV channels. TRAI continues to tightly regulate India's broadcast sector through tariff orders and price ceilings, limiting flexibility and dampening foreign direct investment (FDI) prospects. Broadcasters are advocating for differentiated tariffs and regulatory parity regarding streaming services, but reforms remain stalled. As a result, uncertainty and competitive constraints persist.

Digital Competition Regulations – India is actively considering moving from a traditional ex-post competition framework to an ex-ante framework for the regulation of digital markets. The Government released the Draft Digital Competition Bill in 2024, which was then withdrawn following widespread industry concern. There have been suggestions that the Ministry of Corporate Affairs may revisit the proposal. While there is no official draft or consultation paper in the public domain, a new draft may reportedly introduce an ex-ante regulatory framework for large digital platforms around issues such as self-preferencing, fair access obligations, and data portability. MPA urges the Government of India to ensure that any new framework focuses on clear cases of systemic market dominance and avoids the overbroad inclusion of sectors that already exhibit strong competition and consumer choice.

Foreign Ownership Restrictions – Although India has recently raised the FDI cap for Indian news channels from 26% to 49%, foreign investments above 49% for news channels require government approval. Further, FDI in digital news sites is restricted to the earlier limit of 26%. Helpfully, the Indian government has since clarified that the 26% cap does not apply to over-the-top (OTT) services. As a result, OTT services can carry news from any news channel with

uplinking/downlinking permission, eliminating the need for FDI approval for hosting news feeds.

Network Usage Fees – Internet service providers (ISPs) in India have publicly called for content providers to pay them a network usage fee. The 2023 Telecommunications Act does not expressly include content providers (e.g., OTT/VOD service providers) within its scope, leaving the commercial relationship between content providers and ISPs to market dynamics. However, some ISPs and trusted service providers continue to call for network usage fees and the Department of Telecommunications/TRAI's intervention in the OTT market, even though such proposals would restrict trade and freedom of contract; these calls continue as of October 2025. Rather than pursue such harmful policies, a balanced approach would instead safeguard consumer choice and foster innovation. MPA encourages the Indian government to continue upholding its commitment to net neutrality while allowing industry stakeholders to address the network fees issue collaboratively without direct regulatory intervention.

Welfare Cess – In 2017, India implemented a national unified Goods and Services Tax (GST) with cinema tickets subject to a GST rate of between 12% and 18%, depending on the ticket price. However, Local Body Entertainment Taxes were excluded from the GST framework, prompting various state authorities, such as Tamil Nadu and Kerala, to impose additional taxes on entertainment products (including cinema tickets) on top of the GST. In 2024, despite opposition from local industry, the state of Karnataka approved the Karnataka Cine and Cultural Activists Welfare Bill, which introduces an additional 2% cess on all movie tickets and OTT/VOD subscriptions in addition to the GST, which has been notified, although the cess has not been implemented as of October 2025. Individual state authorities should refrain from implementing such additional levies, as this could result in a burden of multiple taxes.

Customs Duties on Electronic Transmissions – The Government of India has consistently expressed reservations regarding the renewal of the WTO e-commerce moratorium, positioning India at odds with regional and international best practices. Imposing duties on electronic transmissions could hinder the growth of India's vibrant market for creative digital content and related services and ultimately raise costs for consumers.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Internet piracy remains a significant threat to the growth of the film and television industry in India. Some of the world's most egregious "Piracy-as-a-service," cyberlockers, streaming, and torrent sites operate from within India. Court precedents since 2019 have established a remedy to disable access to major piracy websites and led to positive results, including, most recently, global domain suspensions, pirate operator disclosures, and piracy app and illicit streaming device ecosystem disruption. Research shows that actions taken to disable access to piracy sites led to a significant increase in legitimate consumption of audiovisual materials among heavy pirate users (up to 53%).

Camcording Piracy – Unauthorized theatrical camcording of films is an ongoing challenge for rightsholders in India, and criminal referrals against suspects have unfortunately not resulted in

meaningful steps to deter such activities. The 2023 amendment to the Cinematograph Act should help with enforcement.

Enforcement

India remains a challenging market with respect to the protection and enforcement of intellectual property, in no small part due to the relative lack of engagement until recently by centralized and nationally coordinated enforcement departments. To date, intellectual property crimes remain a low priority for national and state enforcement agencies.

Additionally, the activities of state-level dedicated intellectual property and cybercrime enforcement entities, such as the Telangana Intellectual Property Crime Unit (launched in 2016) and the Maharashtra Intellectual Property Crime Unit (MIPCU, launched in 2017), have been inconsistent or ceased altogether. For example, MIPCU's first enforcement action in July 2021 against a pirate service remains the Unit's only known significant criminal enforcement action to date. Greater cooperation with centralized enforcement departments, such as the Indian Cybercrime Coordination Centre ("I4C"), would be a significant step forward toward protecting the country's creative industries and reducing rampant levels of online piracy.

The seminal 2019 Delhi High Court decision in the *UTV v 1337x et Ors* litigations established permanent site-blocking as a reasonable and proportionate remedy to curtail online infringement in India. That seminal precedent has been followed by numerous court decisions resulting in the blocking of thousands of domains, with improved speed of implementation and breadth of coverage. The 2019 orders were made "doubly dynamic" later that year, meaning new variations of the same piracy service can be blocked quickly and efficiently. In 2022, rightsholders achieved a new milestone in India, obtaining orders allowing for a domain to be blocked because of its association with a pirate brand. Therefore, rightsholders are now able to obtain orders directing the disabling of access to pirate brands, as well as the disabling of access to content delivery services like pirate cyberlockers.

In 2023, the Court once again improved on its positive precedent, making the orders "dynamic+," meaning rightsholders could rely on future titles to maintain blocking orders if necessary. Further, domain name registrars were ordered to globally "lock and suspend" domains ordered blocked, as well as to provide the right of information details about the pirate operators. Hundreds of domains have been suspended, and operator details, including contact and payment information, have been made available to better investigate the source of piracy services, not only in India but worldwide. Rightsholders have also obtained the cooperation of online search engine providers to delist piracy sites from their search results, which reduces piracy when compared with blocking alone. Finally, the Delhi High Court is beginning to grant orders to address two of the latest and virulent forms of piracy of audiovisual content: pirate Internet Protocol Television services and live sports piracy streaming sites. Still, there remain notorious piracy services that use social media, web search engine exploits, and other circumvention methods to evade blocking orders. The government could do more to attack this homegrown piracy.

In 2024, a group of Plaintiffs, including MPA members, filed a lawsuit against *Doodstream* in the Delhi High Court. *Doodstream*, with at least 40 known associated websites, was, and remains, the largest illegal video hosting service in the world. In 2024, the Court granted an interim injunction against the operators of *Doodstream*, though the domains are still active as of 2025, and the Defendants have failed to comply with the court's orders to date. Contempt proceedings are ongoing. The case illustrates the importance of granting prompt interim relief as well as effective and meaningful enforcement of the Court's orders, once granted, to stem ongoing infringement. In cases like the *Doodstream* case, there needs to be an effective case management system to ensure that cases progress in a timely manner and are not bogged down by repeated postponements. Costs should be awarded against a party engaging repeatedly in delayed tactics. Indian Courts should fully utilize available procedures (such as contempt procedures) to ensure that interim injunctions against piracy service operators are swiftly and fully complied with and that such piracy services do not continue to operate pending the final resolution of a case. Otherwise, interim relief would not be meaningful.

Legislation

Copyright & AI – MPA is engaging with the Department for Promotion of Industry and Internal Trade's expert committee to explore the nexus between copyright and AI. Amongst other topics, the introduction of a potential text and data mining exception, and the potential challenges to creators, remains a prevalent focus, and a report from the committee is expected within 2025. MPA cautions against rushed changes to the copyright framework in India, which is already well-equipped to accommodate the development of new technologies such as generative AI through the robust growth of voluntary licensing markets for AI training use cases.

Copyright Act Amendments and WIPO Treaty Implementation – India should extend the term of protection to the life of the author plus 70 years. India acceded to the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty in 2018. However, India has yet to fully implement its obligations under these treaties, especially with respect to protection against unlawful circumvention of technological protection measures. The Government of India should amend the Copyright Act to extend the term of protection and fully comply with the WIPO Internet Treaties.

MARKET ACCESS ISSUES

Film Law – The Indonesian government has indicated plans to amend the 2009 Film Law, which contains a 60% local screen quota and prohibits imported films from being dubbed into the local language unless it is for "educational or research purposes." The local industry strongly supports updates to this legislation, though to date no draft or timeline has been provided. In 2019, the government issued "Ministerial Regulation (MR34/2019) Concerning the Procedure for the Distribution, Exhibition, Export, and Import of Film" without official notice or industry consultation. These regulations maintain a 60% local screen quota and dubbing restrictions and impose additional limitations on screen time by a single distributor, importer, or producer to 50%; however, to date, only the dubbing restrictions have been enforced in practice. Recently, domestic films have captured an increasing and significant share of the box office, attracting more investment without the imposition of regulations faced by foreign films. Furthermore, these restrictions undermine Indonesia's commendable 2016 decision to remove the film sector from its Negative Investment List. Therefore, Indonesia should prioritize amending or rewriting the Film Law to remove these barriers and adopt international best practices.

Censorship Restrictions – In 2015, the Indonesian Broadcasting Commission (KPI) notified platform operators regarding pre-censorship and classification requirements for programs on all TV channels. KPI suggested that non-compliance may violate the Broadcasting Ethics and Broadcast Program Standard, thus subjecting operators to fines and imprisonment. These requirements negatively impact the pay-TV industry by raising costs, creating new barriers to entry, and reducing consumer choice.

In addition, the House of Representatives continues to actively consider a revision of the Broadcasting Law, which, if passed, would significantly expand the remit of KPI beyond the traditional TV channels to include over-the-top (OTT) and video-on-demand (VOD) services. For VOD service providers, the draft law presents several challenges: it disregards current self-regulatory best practices already adopted by the industry, risks overlapping with existing frameworks such as the Electronic Information and Transactions Law and its implementing regulations, and introduces regulatory uncertainty that could act as a market entry barrier and disincentive for new investment.

Additionally, the Ministry of Communication and Digital Affairs (Komdigi) is actively considering further revisions to Government Regulation 71 (GR71) of 2019, which governs private electronic systems operators (ESOs). The proposed revisions could expand the Government's access to private ESOs' data for the purposes of enforcing content moderation. If implemented, these changes could introduce further unnecessary regulation and increase compliance costs for streaming platforms in Indonesia.

Lastly, the Ministry of Health issued a draft on Safeguarding Tobacco Products and E-Cigarettes, which contains a very broad restriction on any depiction of tobacco products and electronic

cigarettes in digital media, which goes beyond the international-standard measures prescribed in the World Health Organization's Framework Convention on Tobacco Control. The draft was passed without consultation with the audiovisual sector, which threatens creative expression. The Government should provide formal clarifications around the scope to which this regulation will apply, as such a restriction on VOD services would be a significant and unnecessary obligation, as well as an additional market access barrier.

OTT/VOD Regulations – Ministerial Regulation 5 (MR5), which implements GR71, came into effect in 2020 and requires domestic and foreign OTT/VOD service providers to register, comply with content takedown requests from authorities, and grant law enforcement authorities' access to electronic systems and data. In 2022, the then Ministry of Communications and Informatics, KOMINFO (now Komdigi), temporarily blocked some services for failing to comply with MR5. The blocks were subsequently lifted when the firms registered with Komdigi under MR5. Such requirements discriminate against U.S. services (which effectively force a local presence in Indonesia). They are out of step with international best practices on the regulation of curated content services such as OTT/VOD services.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Digital piracy in Indonesia remains a serious concern, with the piracy landscape dominated by groups operating several infringing sites/services. The criminal group behind these sites, notorious for piracy and believed to be based in Indonesia, continues to operate them by routinely "hopping" domains or through hundreds of copycat domains, a multi-step redirection scheme, or banks of intellectual property addresses. Additionally, Indonesia is a major exporter of piracy, with websites receiving hundreds of millions of visits annually.

In 2023, cooperation between the Directorate General of Intellectual Property (DGIP), the Korean Ministry of Culture, Sports, and Tourism, and the Korean National Police Agency led to the arrest of three suspects operating an illegal Internet Protocol Television service. While this was a welcome development, more sustained, effective, and ongoing enforcement needs to be done to combat online piracy, including acting against the notorious services mentioned above. Piracy apps and services targeting the local market also remain a concern.

Under the revised Copyright Act and Regulations Nos. 14 and 26 of 2015, rightsholders have successfully petitioned the Indonesian government to order internet service providers to disable access to many thousands of infringing domains, which has had a positive impact on the marketplace for legitimate services. Recent orders by Komdigi to block backend domains have had a disruptive effect. We applaud these efforts, particularly the recent improvements in the process and speed of obtaining blocking orders.

These processes could be further improved by ensuring dynamic site-blocking, which would more effectively address syndicated piracy networks, which try to avoid government blocking orders

by routinely changing domains and employing other techniques such as multi-step redirection schemes. Additionally, Indonesia should also increase the capacity of its enforcement officials, who may lack familiarity with investigating and handling digital forensic evidence.

Legislation

The DGIP has floated a partial revision of the 2014 Copyright Law focusing on collective management issues. The direction of planned reform is far from clear, and it remains to be seen whether potential revisions will result in enhanced copyright protection.

As the DGIP considers copyright revisions, MPA reiterates our concerns about the existing law. The overbroad exception to making available rights should be deleted. The Government should further clarify the rights of making available and communicating to the public. Consistent with international best practices, any collective management of rights must be voluntary, transparent, and governed by rights holders, without interference by Indonesia's government. Any revisions should also set forth clear principles of secondary copyright liability; improve protections for technological protection measures and rights management information; and extend the term of copyright protection for works to life of the author plus 70 years. The government should also issue clear guidelines and regulations prohibiting illegal camcording in theaters and live-streaming piracy (including for events like sports, as well as content including film, TV shows, and anime), including expressly outlawing these activities and prioritizing a decrease in these unlawful acts.

Additionally, in considering a partial revision, any new exceptions or limitations (including mandatory collective management of rights or statutory licenses) must comply with the three-step test, consistent with Indonesia's international obligations (e.g., Article 13 of the WTO TRIPS Agreement). Imposing collective management or statutory licenses regarding uses of exclusive rights that are or could be individually licensed would be inconsistent with the three-step test. On copyright ownership in films, in accordance with best international practices, the copyright should reside with the producer, who is best positioned to exploit the film commercially, unless there is an agreement to the contrary.

The government should avoid any new regulation that seeks to impose fees on the enforcement of intellectual property rights. Such fees would conflict with international best practices and set a negative precedent since they would essentially further punish the victims of theft without any economic impact on the infringers who profit from this theft.

INTELLECTUAL PROPERTY PROTECTION

TDM Exception – In 2019, the Japanese Copyright Act was amended to include an exception, in Article 30-4, that permits the exploitation of a work for data analysis or in any other case in which it is not a person's purpose to personally enjoy or cause another person to enjoy the thoughts or sentiments expressed in that work. While the act stated that it does not apply if the action would unreasonably prejudice the interests of the copyright owner, considering the nature or purpose of the work, or the circumstances of its exploitation, it did not expressly distinguish between use for commercial or non-commercial purposes, nor does it expressly require lawful access to the works in question. The lack of clarity and certainty around Article 30-4 meant it might permit the use of pirated works as the source for text and data mining (TDM) activities. Following continuous advocacy by a range of industry stakeholders, the Agency of Cultural Affairs released guidance in 2024 around Japan's TDM exception, confirming that exercise of the TDM exception does not apply in cases that would unreasonably prejudice the interests of rightsholders, and further clarifying respect for lawful access protections, including technological protection measures, including in AI training use cases.

Internet Piracy – Piracy continues to be a priority issue in Japan. According to the Cabinet Office's Intellectual Property Promotion Plan 2024 announcement, internet piracy cost the Japanese economy approximately 2 trillion yen in 2022, five times the amount from 2019. Meanwhile, research from the University of Electro-Communications Photonic Systems Solutions Inc. indicates that, including all audiovisual piracy sites, there were 1,886 piracy sites with more than 100,000 visits per month, with an average of about 300 million monthly piracy visits in 2024. Authorities recognize that many notorious piracy services of Japanese content are located outside Japan, and the authorities are accordingly realigning their efforts to tackle piracy by building strategic international partnerships.

The Intellectual Property Strategy Headquarters is once again considering site-blocking as a countermeasure to combat piracy. The Ministry of Internal Communications has stated, for the first time, that site-blocking might be implemented in a manner consistent with the Constitution by fulfilling certain prior procedures under the guarantee of legislation.

Legislation

Copyright Legislation – In 2021, the Japanese Diet amended Article 63(5) of the Copyright Act to include a presumptive license for simultaneous/delayed transmission of broadcasts over the internet, as well as for services such as time-shifted or "catch-up" viewing, which cannot be considered as a retransmission and implicates the far more valuable exclusive right of making available. The amendment and implementing guidelines entered into force in 2022. The presumption of online simultaneous/delayed transmission of broadcasts over the internet and presumptive license of catch-up rights for such broadcasts is an inappropriate taking of rights (if the rightsholder does not specifically reserve such rights) and adversely impacts voluntary

licensing and appropriate compensation, for each form of transmission, whether simultaneous, repeat broadcast, or making available services such as "catch-up."

In 2023, the Government unfortunately also passed amendments to the Copyright Act to establish a system similar to extended collective licensing to address orphan works or works where the copyright owner cannot be easily identified. The Agency for Cultural Affairs is now working on implementing regulations and has completed a round of public consultations on the shape of these regulations; the new system will be implemented in early 2026. MPA opposed the introduction of a new compulsory licensing system as it interferes with freedom of contract and well-established licensing models for audiovisual works. The new system also risks disadvantaging foreign rights holders due to unclear provisions/mechanisms for opting out. The Government should address these concerns through clear, further regulations and implementing guidance.

MARKET ACCESS ISSUES

Broadcast Quotas – Malaysia requires that broadcast stations, through broadcast licensing agreements, devote 80% of terrestrial airtime to local Malaysian programming. Broadcast stations are also banned from broadcasting foreign programming during prime time. Such quotas fail to incentivize investment in quality content and unfairly restrict U.S. exports of television programming. MPA looks forward to the removal of broadcasting restrictions on U.S. programming, as reflected in the Agreement Between the United States of America and Malaysia on Reciprocal Trade.

Cinema Entertainment Tax – The entertainment tax for theater admissions imposed at the state government level (25% of the gross ticket price) is among the highest in the region and limits the growth of the theatrical industry by artificially increasing box office prices. Malaysia should remove the tax or reduce the rate.

Screen Quota – Malaysia requires each cinema to screen at least two local films for two weeks each per year. Although exhibitors have some flexibility to reduce the screening time for local films when those films underperform at the box office, the requirement is unnecessary and remains an obstacle to commercial business.

Censorship Restrictions – Amendments to the Communications and Multimedia Act (CMA) 1998 took effect in February 2025. The amendments introduce stricter penalties for offenses like child exploitation and pornography distribution. Provisions under the act give expanded powers for the Malaysian Communications and Multimedia Commission to take enforcement actions against Content Applications Service Provider licensees, including suspension and auditing. Relatedly, there is a discussion on the need to revise the Content Code, a voluntary industry self-regulatory code for digital services, including Over-The-Top/video on demand services.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Internet piracy and the use of illicit streaming devices (ISDs) and apps remain problematic in Malaysia. The ecosystem around ISDs and apps, including illegal Internet Protocol Television services, continues to proliferate in Malaysia. Streaming devices that are preloaded with infringing apps and enable subscription access to a wide array of live channels and video-on-demand content are readily available via online and physical marketplaces.

MPA welcomes the Government of Malaysia's commitment to improve enforcement of intellectual property rights, including against notorious piracy services, as reflected in the Agreement on reciprocal trade between the U.S. and Malaysia.

Enforcement

Beginning in 2016, rights holders have successfully been able to obtain administrative orders directing internet service providers to block access to thousands of pirate domains. However, refusal to block some redirection domains, the entire apex domain (the "root level" domain), and all related subdomains (e.g., www, ww1, etc.) hinders effectiveness and demonstrates inefficiencies in the system. This conservative approach results in rights holders needing to file applications numerous times to block the same site run by the same operator. The government should enhance these processes by adopting the best international practice of blocking the apex domain and all related sub-domains.

There have additionally been some improvements in enforcement against ISDs and apps. In 2022, new anti-ISD amendments to the Copyright Act came into force, which the government has already implemented, although resultant enforcement action has been lacking. More concerted efforts against the operators and distributors of such ISDs and apps are necessary to address the harm.

Legislation

Copyright Act Amendments – Malaysia should modernize its law to extend the term of protection for sound recordings, films, and other works to at least 70 years. Malaysia also needs to improve and strengthen anti-circumvention provisions to encourage the development of new business models for the dissemination of film and television content, and ensure that internet service providers are only exempted from a court order for monetary relief, and not the current complete exemption from copyright infringement liability.

MARKET ACCESS ISSUES

Over-the-Top/Video-on-Demand Local Content Obligations – In February 2025, the Ministry for Culture and Heritage (MCH) released a discussion document titled "Media Reform: Modernising Regulation and Content Funding Arrangements for New Zealand." The document outlines several draft proposals to modernize New Zealand's media regulatory environment, including a proposal to require streaming services and TV broadcasters to invest in local content and implement measures to ensure local content is more "discoverable" on their services. MCH released a summary of the submissions received in that consultation process in June 2025. As of October 2025, the Government has not yet communicated whether it will proceed with the investment and discoverability requirements for streaming services and TV broadcasters.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Online piracy in New Zealand remains a problem, with a recent study by NZ on Air showing an increase in the streaming and torrenting of TV series through overseas websites among the crucial 15-34-year-old cohort, rising from 30% in 2021 to 47% in 2023. Per capita infringement by New Zealanders exceeds that of its neighbors in the region, an additional sign that New Zealand's policies are not working. Also, illicit streaming devices, such as pre-installed applications that allow consumers to stream unauthorized live TV channels or video-on-demand content into homes via an internet connection, have boomed in popularity in recent years. Several well-established distributors of these products cater specifically to the New Zealand market. MPA urges the government to enact legislation, including through implementation of its free trade obligations, to deal with internet piracy writ large and illegal Internet Protocol Television (IPTV) piracy more specifically.

Legislation

Copyright Act Amendments – The New Zealand Government is moving forward with a consultation on copyright reform, and a public consultation paper is expected to be released later this year by the Ministry of Business, Innovation and Employment (MBIE). The Minister hosted copyright Roundtables in June 2025. It is expected that the paper and eventual bill will address many obligations under the FTAs between New Zealand and the UK, as well as between New Zealand and the EU. This may include a provision to enable rightsholders to seek and obtain orders to disable access to egregious piracy websites (in line with Article 17.82 of the UK-NZ FTA). It is expected that draft proposals will be informed by consultation, the work MBIE undertook on copyright reform between 2017 and 2019, and consideration of changes required by the NZ-EU and NZ-UK FTAs, which must be enacted by mid-2028. MPA strongly encourages any MBIE-proposed reforms not to undermine copyright (e.g., through broad exceptions) or limit contractual freedoms.

MARKET ACCESS ISSUES

Foreign Ownership Restrictions – The 1987 Constitution of the Philippines prohibits foreign investment in mass media, including film distribution, pay-TV, and terrestrial broadcasting. However, it allows up to 40% foreign direct investment in the telecommunications sector. Disparate treatment of these related network-based industries discourages business development in a capital-intensive sector, impedes investment in innovative and creative sectors, limits consumer choices, and favors domestic investors. Moreover, they are outdated in the current digital and internet landscapes, which have transformed traditional definitions and structures within the "mass media" industries. These restrictions should be removed to enhance business development prospects.

Taxation – Film companies operating in the Philippines face some of the highest taxes in the Asia-Pacific region. Foreign entities are subject to a 30% income tax on net profits, a 5% withholding tax on gross receipts subject to income tax liability, and a 10% tax on the distributor's share of the box office revenues. Additionally, a municipal license tax of 0.75% is imposed on a company's gross receipts from the preceding year. The Philippines also levies taxes on related advertising materials and royalty remittances. The combined effect of these taxes creates a burdensome regime that adversely affects the growth and development of a legitimate audiovisual (AV) marketplace.

Screen Restrictions – During typical film festivals, such as the annual Metro Manila Film Festival in December, only local independent films are allowed to be screened. Such inflexible restrictions limit screen time for U.S. films during peak annual movie-going seasons and deter investment in the sector by restricting cinema owners' ability to program their theaters according to market demand.

VOD Regulations – There continue to be efforts in the Philippine Congress to pass bills that would expand the remit of the Movie and Television Review and Classification Board, which currently regulates theatrical and broadcast TV, to also cover video-on-demand (VOD) services. Several draft bills were introduced in the previous Congress and have been reintroduced in the current Congress. This expansion would impose onerous censorship and classification requirements on VOD services, limit consumer choice, stifle business development, and add further burdensome barriers to market entry.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – The Philippine government has recognized that online piracy is a major threat to both the local and international AV sectors and has made noticeable efforts to implement a more robust intellectual property enforcement regime. The Intellectual Property Office of the Philippines (IPOPHL) and Senators in the Philippine Congress have supported the passage of a legislative site-blocking regime. A voluntary site-blocking MOU framework was rolled out in

2023. Applications are made to IPOPHL, which then orders a site to be blocked. Under the authority of the National Telecommunications Commission, internet service providers (ISPs) subsequently initiate the blocking. In 2024, MPA was the first complainant to obtain a site-blocking order against an initial 11 domains under the voluntary site-blocking regime and has since obtained orders against an additional six.

However, the administrative site-blocking scheme still can be improved, and the process of obtaining blocking orders continues to fall short when compared to global best practices. Issues faced by rightsholders include lengthy processing times (beyond those prescribed under the rules) as well as the imposition of numerous procedural and substantive requirements as part of the filing process. IPOPHL has introduced a requirement that a separate application must be filed for each pirate "domain family," with each application needing to be filed and heard independently. Such a requirement severely impedes the ability of rightsholders to move applications at the speed and volume required to address new piracy domains, particularly given the speed at which new domains can be registered in today's piracy landscape.

Additionally, even when blocking orders are passed, some sites remain accessible, especially through major ISPs that are non-signatories to the MOU, as well as newer ISPs entering the market. These issues have led to relatively low take-up of the site-blocking program since it was rolled out.

These limitations in the administrative site-blocking scheme underscore the importance of enacting legislative no-fault site-blocking. Nonetheless, we encourage IPOPHL to continue improving the administrative site-blocking process and expand the coverage of the administrative site-blocking scheme to more ISPs as the work to push for legislative site-blocking continues in parallel.

Further, piracy apps and services targeting the local market remain an ongoing concern. We encourage authorities to take proactive action against such piracy apps and services in coordination with rightsholders.

Legislation

IP Code Amendments – MPA encourages the government to promptly enact a mandatory legislative no-fault site-blocking remedy so that rightsholders will be better positioned to enforce against online piracy and exercise their rights, as well as to support the growth of the legitimate AV industry. This will complement the voluntary site-blocking mechanism that IPOPHL has successfully enacted together with the National Telecommunications Commission and ISPs. MPA urges the government to reintroduce legislation that expired in the prior Congress.

MARKET ACCESS ISSUES

OTT/VOD Levy – In 2024, a bill was introduced in the National Assembly to extend an existing levy on pay-TV services to the Broadcasting and Communications Development Fund, which would result in over-the-top (OTT)/video-on-demand (VOD) services also being covered. Such proposals would have unintended consequences on the streaming market and are unnecessary given the success of Korean content; the significant amount of organic support and investments made by local and global players in the creative sector in the country show there is no evidence of a market failure.

OTT/VOD Governance – Legislators in the National Assembly are proceeding with draft bills that would unify media regulation under a single ministry or regulatory body, under the guise of "media convergence regulation." This is the latest attempt at so-called regulatory harmonization for legacy media (mainly television) with new media (OTT/VOD services). There is concern that this will extend Korea's existing onerous television regulation – most notably, its outdated Broadcasting laws, which apply local content requirements and foreign ownership/operating restrictions on TV media – to the streaming sector. Korea should maintain light-touch regulation to foster the OTT/VOD sector's continued growth and avoid legislation that could negatively affect U.S. service providers.

Theatrical Holdback Proposals – In September 2025, an amendment to the Promotion of Motion Pictures and Video Products Act was proposed in the National Assembly that includes a holdback requirement, which would create a statutory minimum period of six months after a film's theatrical run concludes before the film can be made available on other forms of distribution, such as on VOD services. This proposal is out of step with international best practices, curtails commercial freedom, and, if adopted, would be a significant barrier to U.S. digital services operating in Korea, heightening the risk of piracy.

Screen Quota – In 2006, during the US-Korea FTA (KORUS) negotiations, the Korean government agreed to reduce its screen quota for exhibiting Korean films to 73 days per year. With the rapid growth of its cultural industries and the international success of many Korean film and television productions seen today, Korea should demonstrate leadership by trusting consumer choices and further reducing or eliminating the screen quota, especially for premium-format screens.

Advertising Restrictions – Korea limits the maximum total duration of advertisements aired, regardless of the type of advertisement, to an average of 17% of program duration and no more than 20% of any specific program's duration. In-program advertising is limited to one minute of advertisement per airing of the program, with the balance of advertising appearing before and following the program. Additionally, Korea maintains a protectionist policy that prohibits foreign retransmitted channels from including ads for their market.

Network Usage Fees and Service Stability Regulation – In 2016, the Korean government implemented amendments to its 2005 interconnection policy that fundamentally altered the norms of voluntarily negotiated interconnection by imposing a "sending party network pays" regime. The critical piece of this change was to impose a "mutual settlement" requirement amongst licensed operators, in which internet service providers (ISPs) were required to compensate each other for traffic exchanged between them. This unique regime harms U.S. companies negotiating for internet interconnection in Korea, and over time has given rise to calls for regulated network usage fees against content delivery service providers in favor of domestic ISPs. Furthermore, in 2020, the National Assembly passed the Telecommunications Business Act Amendments (Articles 22-7), which require content providers to take responsibility for "network stability" and consumer demand. A proposed Digital Disaster Safety Management Act could also impose additional burdens on U.S. companies. These measures, when targeted at U.S. digital service providers, are inconsistent with Korea's obligations under KORUS (Chapter 14) to provide reasonable and non-discriminatory terms and conditions for access to telecommunications networks. The Korean government should refrain from further regulation or new mechanisms that favor domestic ISPs over global digital content services. Additionally, it should consider the nature of services and exempt online audiovisual services, which do not significantly impact public safety, property, or security, from service stability requirements.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Korea has a significant stake in ensuring adequate and effective protection of copyright online. Over the past few years, Korean rightsholders have become more active in protecting their content both within and outside of Korea, and the government has made efforts to disable access to thousands of piracy sites and torrent trackers. Korean rightsholders also actively protect their work by employing laws in other countries, allowing them to disable access to piracy websites that steal Korean content. Enforcement actions have yielded positive results. In 2025, the operator of the most popular piracy site in Korea was sentenced to three years in prison for violating the Korean Copyright Act.

Piracy sites in Korea continue to operate through routinely "hopping" domains or through hundreds of copycat domains or IP addresses. By shifting subdomains, the most popular infringing services seek to circumvent orders by the Korean Communications Standards Commission (KCSC). Yet, the efficacy of orders by KCSC to disable access to flagrantly infringing sites stands at nearly 100%.

In addition to encouraging the Government to continue its administrative site-blocking, search engines should do their part in delisting/removing search results for blocked piracy sites. The Communications and Information Network Act could help rightsholders with enforcement through similar regulations.

Legislation

Korea should continue to ensure that its copyright law provides strong protection for content

creators while upholding the principle of freedom of contract. Legislators continue to propose problematic amendments to Korea's Copyright Law, which would create unwaivable statutory remuneration rights, when subject to mandatory collective management and require collection by collective management organizations of additional compensation for authors, directors, and performers, beyond that negotiated contract, including ongoing residual compensation, for exploitation of their works. Such proposals would undermine freedom of contract, have a dramatic chilling effect on investment in the audiovisual sector in the country, and result in additional costs of administration unfairly imposed on third-party distributors of works rather than producers, who should be responsible for compensation of creative talent. Furthermore, these amendments risk contravening KORUS Article 18.4.6 (freedom of contract for copyright rightsholders). MPA urges the government not to weaken Korea's copyright framework, endangering further production investment, and to ensure consistency with Korea's international treaty obligations.

MARKET ACCESS ISSUES

Foreign Investment Restrictions – The Cable Radio and Television Law limits foreign direct investment in a domestic cable television service to 20% of the operator's total issued shares. Foreign investment in satellite television broadcasting services is also restricted to no more than 50%. Such investment restrictions limit US companies' ability to compete fairly and inhibit the pay-TV industry's potential growth.

Local Content Quotas – Taiwan requires that terrestrial TV stations broadcast at least 50% locally produced drama programs between 8:00 p.m. and 10:00 p.m., and that local satellite TV channels broadcast at least 25% locally produced children's programs between 5:00 p.m. to 7:00 p.m., as well as at least 25% locally produced drama, documentary, and variety programs between 8:00 p.m. and 10:00 p.m. Further, a cable TV service must provide at least 20% local programming in its channel lineup. These discriminatory conditions limit consumer choice, undermine the growth of the pay-TV sector in Taiwan, and restrict U.S. exports.

OTT/VOD Regulations – The National Communications Commission (NCC) continues to actively consider a draft Internet Audiovisual Services Act (IAVSA). The draft IAVSA would obligate foreign over-the-top (OTT)/video-on-demand (VOD) service providers to register with the NCC, appoint a local agent, comply with a content regulation system that is potentially inconsistent with international standards, and potentially disclose sensitive commercial information. The draft also proposes local content prominence obligations and associated penalties for noncompliance. Such requirements, if implemented, would stifle business development and add a burdensome barrier to market entry.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

The MPA recognizes attempts by local authorities to take enforcement action, including a raid in 2023 where over 1,000 illicit streaming devices and equipment were seized and seven suspects were arrested, and more recently, a raid against illegal Internet Protocol Television (IPTV) service operators.

While the Taiwanese courts have delivered positive results in recent years, court cases frequently drag on for multiple years (both through first-instance trials as well as appeals), and sometimes the remedies and/or penalties meted out are not sufficiently deterrent. In addition, there remains an absence in Taiwan of a general remedy to disable access to pirate online locations, other than as part of a criminal investigation. These issues notwithstanding, the government has been more proactive in combating piracy websites and services with a nexus to Taiwan. It has recently made positive pronouncements regarding the Taiwanese government's determination to target such infringing sites and services, leading to some criminal raids and prosecutions. We are hopeful that

future actions will lead to more deterrent results and a permanent takedown of notorious piracy streaming services, and that the government will take steps to provide a more permanent remedy against piracy sites.

In this regard, the Taiwanese government indicates that site-blocking may be available under the "Response Policy Zone" (RPZ) mechanism, but this currently only functions as an ancillary order to a criminal investigation, despite rightsholders' applications to use the RPZ to disable access to flagrantly infringing websites. The RPZ should be used as a standalone remedy, or an alternative remedy should be adopted, to provide greater permanence, clarity, certainty, and efficiency of approach. The clear remaining enforcement gap is the absence of a clear permanent site-blocking remedy.

Legislation

Copyright Act Amendments – Taiwan should extend the term of protection to the international standard of life of the author plus 70 years (or 70 years from publication), provide clear guidelines that unauthorized camcording of motion pictures in theaters is illegal, and implement a no-fault remedy to disable access to infringing sites. Taiwan should also continue to avoid legislating unreasonable or poorly defined new exceptions to copyright, such as a new "non-profit public performance" exception as proposed under prior governments.

MARKET ACCESS ISSUES

Screen Quota – Section 9(5) of the Motion Picture and Video Act (MPVA) allows the Film Board to establish quotas for foreign films. If implemented, these restrictions would create new barriers and reduce consumer choice. The Ministry of Culture (MOC) proposed replacing the MPVA with a new Film Law; the latest draft, released in June 2025, if passed, effectively removes the screen quota. MPA welcomes Thailand's commitment, as outlined in the Joint Statement on the United States-Thailand reciprocal trade agreement, to refrain from imposing screen quotas.

Screening Requirements – The Department of Cultural Promotion (DCP), under MOC, is strictly enforcing approval requirements for all film screenings. According to Section 25 of the current Film and Video Act B.E. 2551 (2008), all films screened in cinemas must have a rating certification and license number from the DCP. A key challenge is the requirement to submit the full script, complicating the approval process.

Foreign Ownership Restrictions – Foreign ownership of terrestrial broadcast networks is prohibited in Thailand. Additionally, regulations established in 2015 require approval from the National Broadcasting and Telecommunications Commission (NBTC) for a television license holder seeking to invest more than 25% directly or more than 50% indirectly in another licensed company. This rule significantly limits investment opportunities and creates significant barriers to entry for U.S. companies.

Censorship Restrictions – The MPVA imposes onerous classification and censorship requirements on films. Thailand should remove these burdens, including the 15-day period for obtaining ratings and censorship approval, the high costs associated with film ratings, and the severe penalties for non-compliance. The MOC is currently discussing a new Film Law which would introduce self-regulation for theatrical and over-the-top (OTT)/video on demand (VOD) releases. However, it remains unclear how this self-regulation will be implemented effectively and in a light-touch manner, particularly for VOD services.

Television Must-Carry Requirements – Recent media reports suggest that the 2012 "must carry" rules, requiring that the programs aired on free-TV must be broadcast on any platforms (including satellite and IPTV) without conditions, will soon be reversed by the NBTC. Until this reversal happens, these regulations raise important intellectual property rights issues, hindering the ability of rightsholders from entering exclusive distribution agreements in Thailand.

OTT/VOD Regulation – Various government agencies, including the NBTC, have publicly noted as recently as August their interest in regulating OTT, including the possibility of requiring streaming operators to set up a local presence to respond to government requests around content that the government finds objectionable (a form of mandatory content moderation) as well as to "promote" local content via investment obligations. These regulations, if enacted, would limit consumer choice, stifle business development, and add further burdensome barriers to market

entry.

In addition, Thailand is considering a proposal for a revised Film Law, which is currently under review by the Office of the Council of State. The draft Film Law expands the definition of "film" to include streaming and online audiovisual content. While the draft favors a self-regulated rating system, allowing subscription-based VOD platforms to implement self-classification, there is currently a lack of clarity on what is required for the registration of platforms. The Law also imposes new notification, rating, and registration obligations which increase compliance burdens for VOD services, stifles business development, and adds further burdensome barriers to market entry.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Internet piracy remains a serious problem in Thailand, with several websites amassing large traffic numbers in Thailand, and harming the market for MPA members as well as the local Thai audiovisual industry. The recent orders to disable access to the largest piracy traffic sites are having an impact. Still, pirate operators will regularly and quickly evade these blocks by "hopping" domains, so the government needs to remain vigilant and expedite processes to have a more deterrent impact and keep pace with these commercially scaled infringers.

Cooperation over the past few years between industry and the Police Cyber Taskforce, the Royal Thai Police Economic Crimes Division, and the Department of Special Investigations has improved, resulting in some notable enforcement actions against several large piracy services. While the initial outcomes have been positive, including forfeiture of some domains, enforcement actions have failed to result in deterrent outcomes against the pirate operators. Further, the prosecution process is too slow. As a result, there have not been significant reductions in piracy or needed deterrence, and Thai-language piracy services continue to operate largely with impunity, unfairly competing with legitimate rightsholders.

Enforcement

In 2017, the Royal Thai Government amended the Computer Crime Act (CCA) to include the establishment of a mechanism to disable access to copyright-infringing sites. Rightsholders obtained the first full website-blocking order requiring DNS blocking from the Thai Criminal Court in 2024. All the major internet service providers (ISPs) in Thailand implemented the order, and the Ministry of Digital Economy and Society issued instructions to ISPs to block the subsequent hopped domain. Since then, several cases have resulted in further orders to block dozens of domains with the highest piracy traffic in Thailand. The dynamic nature of the orders means that the government also orders the ISPs to disable access to the "hopped" domains. These very positive results also include web search engines' delisting of the domains from search results. The case timelines have improved over the past year due to the government's adoption of electronic filing systems. These show promise, but so far, pirates have acted quickly to adjust to new domains, so the government should similarly accelerate timeframes for dynamic disabling of access to pirate domains.

Rightsholders also observe that clear-cut criminal copyright piracy cases move slowly through the criminal prosecution process, with cases frequently taking multiple years. Moreover, sentences handed down by the Court remain non-deterrent. Thai authorities must prioritize and expedite the prosecution process, ensuring that pirate website operators face timely and appropriate legal ramifications. In particular, the Royal Thai government should swiftly prosecute commercial-scale piracy services. A commitment to robust enforcement, timely prosecutions, and appropriate deterrent penalties is essential to curtail current levels of piracy in the country.

Domestic BitTorrent sites also remain a piracy concern. In 2024, the Royal Thai Police Economic Crimes Division, with support from the Alliance for Creativity and Entertainment, raided and took down the largest torrent tracker site in Thailand, with an average of 5.5 million monthly visits; another website quickly rose to take its place, demonstrating the continued need for more effective and efficient enforcement measures.

Legislation

Copyright Act Amendments – MPA continues to urge the Thai Government to amend the Copyright Act to ensure that intellectual property infringement becomes a non-compoundable state offense, thus enabling the police to act on their own initiative without any requirement of a formal complaint from rightsholders.

Unfortunately, the Copyright Act amendments, which entered into force in 2022, did not include a standalone provision allowing the court to order an ISP to suspend access to a specific online location with the primary purpose/effect of infringing or facilitating the infringement of copyright. While the CCA includes a site-blocking provision, it would be helpful for the Copyright Act to include a standalone remedy for no-fault injunctive relief for copyright infringement, which allows ISPs to disable access to third-party infringing sites, consistent with global best practice.

The government should also issue regulations on the protection of technological protection measures (TPMs) to clarify that the service, promotion, manufacture, sale, or distribution of piracy devices and applications/software/add-ons available thereon violates TPM protections. Additionally, Thailand should extend its term of copyright protection to align it with the international trend of life plus 70 years.

MPA welcomes Thailand's commitment under the Joint Statement on reciprocal trade to resolve the circumvention of TPMs and other longstanding piracy issues.

In proposed amendments as part of Thailand's accession to the WPPT, being considered as of October 2025, Thailand should prevent the implementation of unrelated concepts, particularly extending performers' remuneration rights to sound fixations in audiovisual works; the addition of such additional concepts ignore standard industry practice for performers in audiovisual works, and will create additional unnecessary compliance burdens for both international and Thai

producers of content.

MARKET ACCESS ISSUES

Screen Quotas – Under Cinema Law/Decree 54 (2008), Vietnam requires that at least 20% of total screen time be allocated to Vietnamese feature films. In 2022, this law was amended, leading to a revised law that took effect in 2023, replacing Decree 54. The amended law introduces a gradual phasing-in of the screen time requirement. Beginning in January 2023 and going through December 2025, 15% of annual screen time must be allocated for Vietnamese feature films, increasing to 20% from January 2026 onward. While this gradual implementation offers some flexibility, Vietnam should nonetheless remove all screen quotas to foster the long-term development of the industry.

Broadcast Quotas – In the television sector, foreign content is limited to 50% of broadcast time, and foreign programming is not allowed during prime time. Broadcast stations must also allocate 30% airtime to Vietnamese feature films, which was affirmed by an initial draft decree of the Cinema Law. These restrictions limit U.S. exports of film and television content.

Foreign Investment Restrictions – The 2022 Cinema Law reaffirmed that foreign companies may invest in cinema construction and film production and distribution through joint ventures with local Vietnamese partners. Still, these undertakings are subject to government approval and a 51% ownership ceiling. Such restrictions are an unnecessary market access barrier for U.S. film producers and distributors and should be eliminated.

Pay-TV Regulation – Vietnam requires that foreign channels on pay-TV services be capped at 30% of the total number of channels the service carries. Vietnam also requires operators to appoint and work through a locally registered landing agent to ensure the continued provision of their services in Vietnam. Furthermore, most foreign programming is required to be edited and translated by an approved licensed press agent, and all commercial advertisements airing on such channels in Vietnam must be produced or otherwise "conducted" in Vietnam. All channels are subject to Vietnam's censorship requirements, and international channels are subject to "editing fees." These measures are unduly restrictive and continue to severely impede the growth and development of Vietnam's pay-TV industry.

OTT/VOD Regulations – In 2022, amendments to Decree 06 were promulgated as Decree 71, expanding the scope of existing pay-TV regulations to include over-the-top (OTT) services. Most concerning is a non-transparent licensing scheme that requires a local presence or joint venture in addition to onerous censorship provisions for any video-on-demand (VOD) service that offers content not considered to be "films" (which would be regulated under the Cinema Law). This licensing scheme falls short of industry expectations, severely hampering the provision of legal VOD services to Vietnamese consumers and indirectly contributing to online infringement. MPA welcomes the government's fresh efforts to revisit digital media regulation in Vietnam, particularly through the reform of VOD content regulation mechanisms, which have severely impeded market access for US services.

Censorship – Although Vietnam introduced an age-based classification system in 2016, films are still subject to bans for political reasons. This instability creates unpredictable market conditions and exacerbates piracy as consumers are driven to seek unlawful sources of content. The government should fully implement its age-based classification system with fully transparent and consistent guidelines for content classification, as this would enable distributors to better assess the feasibility of distributing their products.

INTELLECTUAL PROPERTY PROTECTION

MPA welcomes Vietnam's commitment to fully implement its intellectual property treaty obligations as outlined in the Joint Statement on a United States-Vietnam reciprocal trade agreement.

Internet Piracy – Online piracy remains rampant in Vietnam, and the country is host to some of the most egregious and popular piracy services in the world that target a global and English-speaking audience. Recent criminal actions give some hope that the government is starting to prioritize the anti-piracy fight, but sustained, concerted efforts are key to tackling the digital piracy issue in a meaningful way. To date, Vietnamese-based piracy services have caused significant damage to both the domestic and international markets, and their continued operation with impunity makes Vietnam a haven for piracy.

Enforcement

Vietnamese authorities took several significant enforcement actions in 2024 and 2025. In 2024, the Vietnamese Ministry of Public Security, supported by the Alliance for Creativity and Entertainment, shut down the largest pirate streaming operation in the world. Domains controlled by this syndicate drew more than 6.7 billion visits between January 2023 and June 2024. In April 2025, the operators were convicted of copyright offences under Article 225.2 of the Vietnam Penal Code. Earlier in 2024, the Vietnamese Courts issued two additional criminal convictions for copyright offenses conducted by other infringing services. Collectively, these three convictions over twelve months mark a notable milestone in Vietnam, especially given the limited criminal copyright enforcement in the previous years.

While these criminal convictions are undoubtedly a positive development, all three convictions resulted in suspended sentences against the operators, which dampens the deterrent message to operators of piracy services. The MPA encourages the Vietnamese Government to review the penalties that are meted out under the Penal Code and ensure that the penalties are commensurate with the significant damage and harm caused by such illegal activities.

Notwithstanding the recent actions against several piracy operators, MPA would like to see the government follow through on criminal referrals based on clear objective criteria used to bring and evaluate cases. There have also been significant difficulties in identifying evidence relevant in the digital piracy context to meeting the requirements to constitute an offence under Article

225 of the Vietnamese Penal Code. As one example, there is no guidance on what "commercial scale" means under Vietnamese law. Vietnam should establish a robust criminal enforcement framework, including clear monetary and evidential thresholds, enforcement timelines, and appropriate deterrent penalties.

As part of major judicial reforms in Vietnam, two specialized IP Courts were established in July 2025, one in Hanoi and another in Ho Chi Minh. MPA is hopeful that this will encourage a cadre of well-informed judges in IP and copyright issues, paving the way for better outcomes in both civil and criminal suits. This development, plus an increased focus on criminal enforcement, can help spur more effective criminal procedures and punishments to deter online piracy operators and send a general deterrent message to operators or consumers in Vietnam against copyright infringement.

Following a government restructuring in 2025, the Authority of Broadcasting and Electronic Information (ABEI) is now part of the Ministry of Culture, Sports, and Tourism. In the past, the high costs of obtaining blocking orders made it challenging for U.S. rightsholders to employ, and we look forward to improvements in this regard.

Legislation

IP Law Amendments – The IP Law amendments entered into force in 2023. While there were some improvements, the amended IP Law retains an inadequate term of protection for copyrighted works. It does not provide for a term of protection for all copyrighted works in line with the international trend of 70 years after the death of the author, and 70 years from first release for films. The amendments also include certain definitions that depart from the WIPO Performances and Phonograms Treaty and may cause unnecessary confusion. The introduction of an ISP liability regime is welcome, but the safe harbors are too broad, and the protections for technological protection measures fall short.

Vietnam is also considering additional amendments to the IP Law, as of October 2025, which would introduce a blanket exception on AI training on publicly available and free sources without seeking relevant permissions from copyright owners. This will undermine the incentive to create new works and erode copyright protection in Vietnam. If copyright owners do not have control over how their works are used, it may lead to unauthorized derivative works, negatively impacting rightsholders' ability to monetize their works and potentially stifling the economic incentive for creativity.

The October 2025 amendments also introduce a new compulsory licensing scheme, which is meant to apply only to specific cases where published works may be used without prior authorization and is not meant to apply to the audiovisual industry. However, the amendments do not provide the necessary and explicit clarity that the scheme does not extend to exclusive rights, thereby excluding the audiovisual industry.

NATIONAL TRADE ESTIMATE

EUROPE

MOTION PICTURE ASSOCIATION

The rules under the two landmark pieces of legislation governing digital services in the EU, the Digital Services Act (DSA) and the Digital Markets Act, entered fully into force in 2024. Together, these regulations form a set of rules applicable across the EU, intending to create a safer and more open digital space. The EU also adopted the EU AI Act in 2024, a horizontal regulation legislating the use of AI systems and models in the EU.

MARKET ACCESS ISSUES

The updated Audiovisual Media Services Directive (AVMSD) entered into force in 2018, and all Member States have now at least partially transposed the directive. The 2018 AVMSD updates the 2010 AVMS Directive, which in turn replaced the 1986 Television Without Frontiers Directive.

Broadcast Quotas – The AVMSD requires EU Member States to ensure that broadcasters under their jurisdiction reserve a majority of their transmission time for European works, excluding time allotted to specific categories of programming, such as news and sports. In addition, 10% of transmission time (or programming budget) must be dedicated to works produced by independent producers, with an additional requirement that an adequate proportion of this sub-quota must be devoted to recent works.

VOD Quotas – The AVMSD requires EU Member States to ensure that video-on-demand (VOD) services under their jurisdiction reserve at least a 30% share in their catalogues for European works and ensure prominence of these works.

In respect of both the quotas on broadcasters and VOD service providers, Member States may impose a higher overall quota as well as sub-quotas, such as for local works or works in a specific language. Both the linear and non-linear quota requirements are country-of-origin rules, which means that broadcasters and VOD services must comply only with the regulations of the EU Member States in which they are established, and that other jurisdictions in which the service is provided may not impose stricter requirements. While all EU Member States must put in place content quotas, MPA has not listed these unless the territory in question has imposed a higher and/or stricter quota or sub-quota requirements.

Investment Obligations – Following the 2018 revision, the AVMSD also allows EU Member States to require media service providers (both linear and non-linear) targeting the audience in their territory to contribute financially to the production of European works, even if a media service provider falls under the jurisdiction of another EU Member State. These investment obligations typically require media service providers to invest directly in European or domestic work and/or contribute to a national film fund. More than half of EU Member States have imposed investment obligations. This filing does not set out an exhaustive list of territories with investment obligations.

Disproportionate investment obligations, coupled with excessive sub quotas for works of original national expression – and in some cases the absence of a thematic or niche AV services exemption

– could fuel an inflationary trend in production costs and work against the objective of supporting and attracting foreign investment and opening the market to new entrants.

Network Usage Fees – The European Electronic Communications Code (EECC) is due for review by the end of 2025, and the European Commission has confirmed it proposes replacing the EECC with a new telecom regulation, the Digital Networks Act. The EU confirmed that it will not adopt network usage fees in the recent Framework on an Agreement on Reciprocal, Fair, and Balanced Trade. However, the possibility of a mandatory dispute resolution mechanism between content and application providers and telecom operators – which would act as a de facto network fee – persists. The potential extension of network regulations to non-telecoms actors is also of concern.

INTELLECTUAL PROPERTY PROTECTION

Overall, the EU Intellectual Property Directives provide a satisfactory level of protection for rights holders. In several cases, however, certain Member States have failed to correctly implement key provisions of the Directives, thereby undermining the spirit and letter of the legislation.

IPRED – The Intellectual Property Rights Enforcement Directive (IPRED) establishes an EU-wide minimum standard for specific civil procedures, including the right to ask internet service providers for information (Right of Information [ROI]), and the availability of injunctive relief against such intermediaries to prevent and stop copyright infringement. These tools are invaluable for combating internet piracy. However, some Member States – such as Bulgaria, Germany, and Poland – have not implemented IPRED's Article 11 in a way that allows dynamic injunctions. Moreover, the Court of Justice of the European Union's (CJEU) decision in 2020 (C-264/19 *Constantin Film Verleih*) on ROI impedes enforcement. The CJEU applied an extremely narrow interpretation of the law – granting rights holders only a claim to the name and postal address of infringers – and not to additional critical identifying data such as e-mail or IP addresses. Each Member State must now expressly permit the release of this information. The Commission is carrying out a study to assess the application of IPRED, including ROI and dynamic site-blocking remedies. This study was expected to be published in April 2025, but its publication has been delayed.

Electronic Commerce Directive/DSA – The 2000 E-Commerce Directive (ECD) provides a general legal framework for internet services in the Internal Market. The Directive establishes rules on commercial communications, establishment of service providers, electronic contracts, liability of service providers, codes of conduct, out-of-court dispute settlements, and enforcement. The Directive fully recognizes the country-of-origin principle and expressly requires Member States not to restrict the freedom to provide information society services from a company established in another Member State. Article 5 of the ECD requires that information society providers identify themselves by giving precise details about their business and whereabouts on their website. However, the Article is not enforced by Member States, and businesses that intend to profit from illegal content and infringe intellectual property rights do not comply with this obligation and do not suffer any consequences.

The DSA entered fully into force in 2024, replacing all the ECD's liability provisions and complementing them with new due diligence obligations for online intermediaries. The DSA introduced a more stringent set of due diligence obligations for Very Large Online Platforms and Very Large Online Search Engines. The CJEU has developed a workable test for attributing liability based on whether the intermediary is "active" or "passive," and this test was codified in a DSA recital. Regrettably, the DSA failed to include a "stay-down" mechanism; the "Know Your Business Customer" provision is limited to online marketplaces; and it missed an opportunity to provide a meaningful tool to fight the broad range of illegal activities online. The Commission is working on modernizing the EU's MOU on Counterfeiting and will convert it into a code of conduct under the DSA.

Although the ECD and DSA allow monitoring obligations in specific cases, differentiating between general and specific monitoring has proven difficult. It would be helpful to codify the European Court's decision in C-18/18 – *Glawischnig-Piesczek* – that a ban on general monitoring does not preclude an injunction to remove content identical and equivalent to the content in question, and on a worldwide basis. It remains to be seen how national courts will apply these principles.

NIS2 Directive – The Network and Information Security (NIS) Directive was the first piece of EU-wide legislation with the goal of achieving a higher standard level of cybersecurity across Member States. Its implementation proved difficult, and in January 2023, the legislation was expanded by the NIS2 Directive to oblige more entities and sectors to take measures to improve cybersecurity across the EU. The NIS2 Directive includes new obligations for top-level domain name registries and entities providing domain name registration services to collect and maintain accurate and complete domain name registration data while also providing access to it to legitimate access seekers. While the Directive´s recitals state that their verification processes should reflect the current industry's best practices, further guarantees are needed during national transposition to make sure that the verification obligation is sufficiently effective and that rights holders are granted access to registration data, which is essential for copyright enforcement. Several Member States, including Bulgaria, Germany, Sweden, and Poland, are proposing to limit legitimate access seekers to public authorities. The deadline for transposition was in 2024, but 23 Member States have missed this deadline.

Recommendation on Live Piracy (LPR) – In 2023, the Commission adopted a recommendation to combat online piracy of sports and other live events. The LPR confirms not only the need for dynamic and effective tools to address online piracy but also encourages Member States to increase the actions rights holders can take with a broad range of intermediaries. The LPR aims to foster collaboration among various stakeholders in the online ecosystem and enhance national authorities' expertise. The European Union Intellectual Property Office (EUIPO) has drafted key performance indicators to monitor the application of the LPR and will assess its impact by November 2025.

Recommendation on Combatting Counterfeiting and Intellectual Property Rights Enforcement – In 2024, the EC adopted a recommendation on measures to combat counterfeiting and enhance the

enforcement of intellectual property rights. The recommendation encourages rights holders who are signatories of the EU's MOU on Counterfeiting to apply for the status of "trusted flagger" under the DSA. It also highlights the value of accurate and complete domain name registration data for intellectual property rights enforcement. It recommends good practices for top-level domain (TLD) name registries and entities providing domain name registration services. In addition, it encourages TLD name registries and entities providing domain name registration services to recognize any natural or legal persons who request a right to information pursuant to the Enforcement Directive as legitimate access seekers under the above-mentioned NIS2 Directive. The recommendation also includes the fostering of the use of dynamic injunctions, ensuring the right of information for intellectual property enforcement, and ensuring the granting of appropriate damages. The EC will assess the effects of the recommendation by March 2027 and decide whether additional measures are needed at the EU level.

EU Copyright Directives (2001 and 2019) – The principal objectives of the 2001 Information Society Directive (InfoSoc) were the harmonization and modernization of certain aspects of copyright law in the digital age. This included the implementation and ratification by the EU and its Member States of the 1996 WIPO Internet Treaties.

InfoSoc contains an exception for private copying that, if interpreted incorrectly, could violate the TRIPS/Berne 3-Step test. In some countries, the provisions regarding the private copy exception are too broad. Of specific concern is the German private copy exception, which expressly permits the beneficiary of an exception to use a third party to make the copy.

The Directive also establishes legal protection for technological protection measures (TPMs) necessary for the protection of copyrighted material in the digital environment. However, this protection is undermined by some Member States' intervention in regulating the relationship between technological measures and exceptions. Moreover, some countries fail to provide appropriate protections for TPMs. Germany and Luxembourg do not provide adequate sanctions against the act of circumvention and preparatory acts facilitating circumvention. Finland and Sweden do not provide sufficient protection against the act of circumvention. Article 6(4)(1) of the 2001 Copyright Directive provides that Member States can only put in place appropriate measures to ensure the benefit of the exception "in the absence of voluntary measures taken by rights holders" and "to the extent necessary to benefit from that exception or limitation and where that beneficiary has legal access to the protected work or subject matter concerned."

Article 8(3) of InfoSoc also requires the availability of injunctive relief against intermediaries whose services are used by a third party to infringe copyright, even where an intermediary's activities may be exempt from liability under the ECD. Some EU Member States have either not implemented Article 8(3) of InfoSoc or have done so incorrectly. Bulgaria and Poland are prominent examples where Article 8(3) has not been implemented in national legislation. In Germany, injunctive relief is submitted to strict subsidiarity conditions. Consistent implementation of existing EU law by all Member States is critical, especially for a provision as central to effective enforcement as Article 8(3).

The 2019 Directive (2019/790), also referred to as the Digital Single Market (DSM) Copyright Directive, introduced two new exceptions to the reproduction right to enable text and data mining tools to crawl content: one covering academic content for scientific research and the second covering content that is made freely available online. These exceptions have become particularly relevant in the recent discussions around AI. Notably, the EU AI Act (Regulation (EU) 2024/1689 laying down harmonized rules on AI), which entered into force in 2024, refers specifically to Article 4 of the 2019 DSM Copyright Directive. The Directive also includes two updates to existing exceptions: one extends the illustration for the teaching exception to cover digital and cross-border uses, and the other extends acts of preservation to include digitization.

The Directive further clarifies that certain content-sharing platforms perform an act of communication to the public. Therefore, absent authorization from the relevant rights holder, are liable for copyright infringement (Article 17). However, content-sharing platforms are not liable if they can demonstrate that they have made 'best efforts' to either obtain an authorization or prevent the availability of pre-identified content, take down notified content, and ensure that such content stays down. This provision also contains obligations proportional to the size, age, and popularity of the service. EU Member States that have transposed Article 17 unfaithfully risk diluting copyright protection by introducing overly broad exceptions for users when they upload copyright-protected works (e.g., as has occurred in Austria and Germany).

The Directive also introduced several provisions that may interfere disproportionately with contractual freedom and well-established market practices. It provides a new provision on appropriate and proportionate remuneration for authors and performers for the exploitation of works they contributed to; an obligation on licensees to annually report on revenues and remuneration due; and the opportunity for authors and performers to renegotiate agreements if the remuneration agreed upon initially is deemed disproportionately low compared to the revenues generated by exploitation. Finally, the Directive introduces a revocation mechanism for authors and performers whereby they may revoke their licensed or transferred rights if the work is not exploited after a reasonable time.

When transposing the 2019 DSM Copyright Directive, several EU Member States - Bulgaria, Croatia, Greece, Lithuania, and Portugal - introduced provisions effectively overturning the CJEU's Decision in the Atresmedia case (*Atresmedia v AGEDI and AIE*, Case C-147/19, EU:C:2020:935); in contravention of EU law. The Atresmedia case was referred by the Spanish Supreme Court in a suit originally filed against the broadcaster, Atresmedia, by two collective management organizations (CMOs) representing music producers and music performers in Spain, respectively. These CMOs asserted claims for remuneration against Atresmedia in connection with the pre-existing sound recordings that had been incorporated or synchronized into AV works that were subsequently communicated to the public by that broadcaster. The CJEU ruled that sound recordings, once fixed in AV works, cease to be sound recordings, or phonograms, and instead become part of the AV work itself and thus do not trigger the remuneration right detailed in Article 8(2) of the Related Rights Directive. The legislation proposed by the five member states cited above is a violation of EU law and amounts to a double payment for the relevant rights.

Data Protection Rules – The General Data Protection Regulation (GDPR) became enforceable in 2018. It strengthens and unifies data protection for all individuals within the EU, but also addresses the export of personal data outside the EU. The GDPR raises concerns about the use of certain personal data in copyright enforcement. In the 1995 Data Protection Directive, rights holders relied on Article 13, which provided derogations to the rules on data processing, referring to the respect of the "rights and freedom of others." The GDPR still provides such a derogation to the rules on data processing (Article 23); however, it is subject to rigorous and defined conditions. In 2021, the EC published guidelines on Article 23, which analyze the derogation criteria and observed that derogations must pass a necessity and proportionality test.

In 2016, the Commission adopted a directive on the processing of personal data by police and judicial authorities against criminal offenses in parallel to the GDPR. This directive aims to improve the exchange of information, help fight crime more effectively, and provide standards for the processing of data of people who are under investigation or have been convicted.

The Commission published its second report on the application of the GDPR in 2024. The report highlights the need for enhanced GDPR enforcement and data protection authorities' proactive support of stakeholders' compliance efforts.

E-Privacy Rules – The ePrivacy Directive (Directive 2002/58/EC) contains rules relating to digital marketing and tracking technologies (such as cookies), amongst others. These rules have not evolved with the changing digital habits of consumers and businesses of today, posing a challenge to rights holders seeking to promote their content, engage with European audiences, and measure content performance. This has been exacerbated by regulatory guidance from the European Data Protection Board (such as Guidelines 2/2023 on Technical Scope of Art. 5(3) of ePrivacy Directive), which narrowly interprets activities that can be lawfully performed without opt-in consent under the outdated ePrivacy Directive.

The ePrivacy Directive was to be reformed by a new ePrivacy Regulation, drafts of which envisaged rationalized and more straightforward rules on cookies and trackers, including reduced requirements for opt-in consent for non-intrusive tracking (e.g., for web/app analytics and other first-party tracking). However, in February 2025, the European Commission announced that the ePrivacy Regulation bill would be withdrawn, citing a lack of agreement between the co-legislators.

MPA would welcome simplification of Europe's ePrivacy rules to create a more accessible and balanced digital legislative framework that reflects the modern digital ecosystem.

MARKET ACCESS ISSUES

Broadcast Quotas – In addition to the Audiovisual Media Services Directive (AVMSD) requirements, the Federation Wallonie-Bruxelles (FWB) has put in place a 35% sub-quota for French-speaking Belgian productions.

VOD Quotas – In addition to the AVMSD requirements, the FWB requires that the minimum quota of 30% of European works in video-on-demand (VOD) catalogues must increase gradually and annually to reach at least 40% by 2026. Flanders has put in place a sub-quota within the 30%, requiring a "significant part' to be made up of Dutch-language works.

Investment Obligations – In 2024, a new law in FWB gradually increased financial obligations for all media service providers, up to 9.5%, depending on their turnover. Additionally, in 2024, the Flemish Parliament adopted a law increasing the 2% financial obligation for domestic and non-domestic VOD services and video sharing platforms that must invest in audiovisual (AV) works to up to 4%, calculated in a staircase model, which entered into force in January 2025. The direct contribution is accompanied by more burdensome restrictions, some of which relate to intellectual property ownership limitations. Both texts are being challenged before Belgium's Constitutional Court.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Belgium's broad legal definition of counterfeiting allows for extensive enforcement options, supported by cooperation between authorities and rights holders. However, enforcement remains largely reactive, with authorities intervening mainly after counterfeit goods are detected at the borders or flagged by rights holders. Significant shortages continue to hamper Belgian police and customs authorities in terms of personnel and resources; proactive measures, such as systematic monitoring, targeted investigations, or consumer awareness initiatives, remain limited.

Legislation

EU Enforcement Directive – Belgium implemented the Enforcement Directive in 2007. The implementation provides several benefits for civil action against piracy, but the right of information can only be applied after the judge has found that an infringement has been committed. In practice, this requires hearing first on the merits. As a result, there are significant delays before the judge orders the provision of the information. Such losses of time and resources represent a considerable burden for rights holders.

EU DSM Copyright/SatCab Directives – Belgium transposed the Digital Single Market (DSM) Copyright and SatCab Directives in 2022. As part of this implementation, the existing author and

performer unwaivable remuneration rights, subject to mandatory collective rights management (MCRM), were extended to the new definition of retransmission upon implementation of the SatCab Directive of 2022, and were extended to audiovisual (AV) and music on-demand services unless there is a collective agreement. Despite reference to a collective agreement with respect to on-demand service remuneration rights, Belgium went beyond what is prescribed in that Directive. Even though U.S. AV works may be exempt from these remuneration rights based on collective agreements, the implementation of the DSM Directive creates considerable uncertainty as to the scope of possible claims by collective rights management organizations, which, due to the MCRM regime, have wide latitude to assert claims. Service operators and other organizations have brought actions for annulment of these provisions before the Belgian Constitutional Court, which has referred several questions to the Court of Justice of the European Union (CJEU) for preliminary ruling. The case is still pending before the CJEU.

Following the adoption of a Royal Decree, Article XVII.34/3, §1 CEL, which is aimed at fighting large-scale online infringement, entered into force in 2024. Several actions have been introduced by rightsholders based on this article, which helpfully improve protections against online copyright infringement.

MARKET ACCESS ISSUES

Screen Quota – France maintains government-sponsored inter-industry commitments that are quasi-statutory and limit the screening of a movie to four screens in the case of a 15-screen theater.

Broadcast Quotas – Going beyond the Audiovisual Media Services Directive (AVMSD) quotas, broadcasters must reserve 60% of transmission time for European works and at least 40% for works of original French expression, excluding time reserved for certain types of programming, such as news and sports. A derogation regime permits broadcasters to apply for an exemption from the 60% quota, which goes no lower than 50%, in exchange for commitments to finance the production of AV works of original French expression by independent production companies.

VOD Quotas – Going beyond the AVMSD quotas, video-on-demand (VOD) service providers must reserve at least 60% of their catalogue for European works and at least 40% for works of original French expression. A derogation regime permits VOD service providers to apply for an exemption from the 60% quota, but going no lower than 50%, in exchange for commitments to finance the production of AV works of original French expression by independent production companies.

Release Windows – France mandates a chronology of how cinematographic content is released. The industry agreement on media chronology was renewed for another three years in February 2025. The terms are mostly the same as those of the previous agreement, except for the inclusion of minor adjustments related to the unavailability of works on subscription VOD services. Several international and local stakeholders have argued that the current media chronology agreement lacks flexibility, that the statutory theatrical release window is too long, and that such a complex media chronology regime exacerbates piracy by creating a "piracy window."

Investment Obligations – In 2021, the French government established a complex legislative framework that extends the existing requirements for linear broadcasters to invest in original French productions further to the domestic and non-domestic VOD services targeting French audiences. The law sets out an investment obligation of at least 15% (for transactional VOD services) and up to 20-25% (for subscription VOD services) of their net annual French revenues. The precise rate depends on the release windows for theatrically released films that services choose: 25% if sooner than 12 months post-theatrical, 20% if later. The new law also imposes a range of significant sub-quotas, including but not limited to independent productions (at least two-thirds) and works of original French expression (at least 85%). The legislative framework also does not provide an exemption for thematic or niche AV services.

Sub-Quotas of Investment Obligations – In July 2025, France notified the European Commission of changes to the 2021 AVMS decree introducing an additional obligation for subscription VOD services to devote 20% of the AV portion of their 20-25% investment obligation (i.e., 4%-5% of the overall obligation) to animation, documentary, or recordings or recreations of live shows. For

services with an annual turnover of more than €50 million, 75% of this new sub-quota is devoted to pre-financing new works. For animation works, the proposed changes prohibit the consideration of foreign exploitation rights for the eligibility of these investments. These changes will enter into force on January 1, 2026, further aggravating the restrictiveness and complexity of the French investment obligations.

Subsidies – The French government provides extensive aid and subsidies to assist local film productions and distribution. The film industry, domestic and foreign, must contribute to funds through dues levied on distributors, exhibitors, exporters, newsreel producers, dubbing studios, broadcasters, and, as of 2019, international VOD platforms established in other jurisdictions but targeting viewers in France.

Film Rental Terms – The law limits the gross box office revenues remitted to the film distributor to a maximum of 50%. Film distributors should have the freedom to negotiate film rental terms based on market conditions.

Protection of AV Catalogues – In 2021, France published a law that obliges anyone seeking to acquire French AV works to seek continued exploitation so that French audiences and authors/performers will continue to benefit from the continuous distribution of the work. The law includes a burdensome process for the transfer of AV work and AV catalogues.

INTELLECTUAL PROPERTY PROTECTION

Internet piracy remains a source of concern in France, with illicit streaming being the most popular form of piracy.

DSM Copyright Directive – France's transposition of the Digital Single Market (DSM) Copyright Directive goes beyond what is prescribed and includes – irrespective of the nationality of the author – a provision on the immediate application of French law for authors of musical works in an AV work for the exploitation on French territory.

MARKET ACCESS ISSUES

Film Fund Levy – Pursuant to the 2025 Film Support Act, companies exploiting feature films must pay up to 3% of their revenues to the German Federal Film Board to help fund local theatrical film productions, as well as other film-related expenditures, such as marketing, research, or cinema renovations.

Production Incentives – To receive a production incentive from the German Federal Film Fund, there is a mandatory exclusive theatrical window, which diminishes the freedom to decide how to exploit the work. Further, the production incentive for serial, non-theatrical content (GMPF) is essentially unattainable for bigger foreign projects because of the cultural test's high thresholds to receive the maximum funding amount. In the event of financial participation by broadcasters, the GMPF Directive limits the share of funding provided by broadcasters. Streaming services, which are qualified as broadcasters, are also restricted by these same limits. In addition, it is understood that the availability of increased production incentives in 2026 would be conditional on the introduction of an investment obligation for audiovisual media services, targeting mainly U.S. companies, which has yet to be specified and therefore creates uncertainty.

Proposed Investment Obligation – The coalition's agreement, published in April 2025, includes calls for an investment obligation. The Federal Government Commissioner for Culture and the Media (BKM) announced plans to introduce an Investment Obligation Act by the end of 2025. It is understood that the proposed obligation would amount to around 12-15% of revenues generated in Germany and would include specific sub-quotas, such as a German language requirement and independent producers. Since then, it has been publicly reported that the BKM is engaging in individual discussions with companies to encourage "voluntary" investments, aiming to potentially render legislative action unnecessary.

Tax Liability on Trademarks Registered in Germany – The current process poses a disproportionate administrative burden for rights holders. Trademark registration requires non-German licensees to deduct withholding tax in the case of a limited-term licensing of a right, pay the corresponding tax, and then file a tax return with the German tax office unless the non-German licensor applies for a tax exemption. This exemption is usually granted if the licensor resides in a country with which Germany has a double tax treaty. The compliance burden alone of preparing any of the disclosure filings is significant, even if no resulting tax payments need to be made. This procedure takes months and – in many cases – years with disproportionate administrative efforts.

License Fees Taxation – The addition of license fees is increasingly being addressed in tax audits. While in some regions courts have put an end to this practice, there is still a risk that the authorities might assert that such license fees should be added to the respective fee debtors for trade tax purposes.

INTELLECTUAL PROPERTY PROTECTION

Illicit streaming sites, illicit streaming devices, and Internet Protocol Television subscription services are the primary piracy concerns in Germany.

Enforcement

While rights holders can obtain an injunction under civil law, injunctions against website operators and hosting providers are title-specific, which constitutes an additional hurdle to take by the rightsholders in the fight against online sites that facilitate copyright infringement on a massive scale.

Furthermore, some German courts have ruled that while preliminary relief is title-specific, the urgency requirements for obtaining preliminary injunctions are site-specific, and that any new infringement of new content on the same website does not create a new urgency. This results in a significant gap in rights holders' protection, as preliminary injunctive relief is unavailable for any piracy website known to the applicant for more than one month.

The German Federal Court of Justice (BGH) confirmed in 2022 that it considers the subsidiarity requirement as consistent with EU law, i.e., Article 8(3) and recital 59 of the 2001/29 Directive, which was reintroduced by the German legislator in the transposition of the Digital Services Act in 2024. According to the BGH, if it has no information on the infringer, the rights holder must take action to obtain such information from any hosting provider based in the EU (or in a country with "equivalent legal protection"), either voluntarily or by suing the EU hosting provider under German law. Also, the BGH rejects dynamic blocking requests as inadmissible for procedural reasons. This ruling is also currently being challenged before the German Constitutional Court. In a later 2024 decision, the Appeal Court in Munich pushed the subsidiarity requirements even further by requesting rights holders to file court action against a hosting provider located in Russia.

The "Clearing Body on Copyright on the Internet" (CUII) is a self-regulatory body established by rights holders and internet service providers (ISPs) in 2019. Initially, CUII was designed to reduce reliance on court proceedings, allowing DNS blocks to be implemented more effectively. Several websites have been blocked via the CUII mechanism since 2020. CUII blocking recommendations were confirmed by the Federal Network Agency (BNetzA) concerning net neutrality considerations. Through 2024, the CUII had issued a blocking recommendation for over 20 piracy websites (with regular updates). In July 2025, the system transitioned from an "administration-based self-regulation" to a "court-based self-regulation" system. As a result of BNetzA's withdrawal from the process, initial site-blocking orders are now issued by the District Court of Cologne. Under the new system, update blocks should be channeled via CUII directly.

Legislation

Copyright Act Revision – The 2021 transposition of the Digital Single Market (DSM) Copyright Directive weakened exclusive rights and copyright protection. Broad new exceptions for copyright-protected works on Online Content Sharing Service Providers were introduced,

interfering with legitimate exploitation of works and likely violating international copyright treaties and the EU Information Society Directive. The amendments are being challenged before the Federal Constitutional Court in two separate cases.

Germany's private copy exception is too broad and may violate the TRIPs three-step test, as there is no exclusion of copying by third parties.

The legal framework for technological protection measures (TPMs) also remains inadequate. Germany should provide specific civil remedies for illegal acts relating to the circumvention of TPMs and provide for the seizure, delivery, and destruction of illicit circumvention devices.

NIS2 Directive Implementation – Germany missed the deadline for implementation but will likely implement the directive in 2025. The government's draft implementation proposal, which was submitted to the German parliament in July 2025 for further considerations and adoption, follows a very limited approach by narrowing the scope of legitimate access seekers to authorities and indicates that registries do not need to have a complete and accurate database of registrant/WHOIS data, nor do they need to engage in any verification or accuracy obligations, resulting in an ineffective process.

EU Enforcement Directive Implementation – Rights holders contemplating legal action against internet pirate operators face difficulties in identifying the culpable parties due to restrictions imposed by Germany's data protection law. Further, the right of information is circumscribed in practice because many ISPs reject information requests, asserting that the data is not available and that they are not permitted to retain the data.

MARKET ACCESS ISSUES

Video-on-Demand Quotas – Going beyond the Audiovisual Media Services Directive content quota, Hungary has introduced an additional sub-quota requiring 10% of catalogues to be comprised of Hungarian works.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Piracy via direct download, streaming, and peer-to-peer platforms is the biggest piracy concern in Hungary.

Enforcement

Although the provisions of the EU's copyright-related Directives – including the 2001 Copyright Directive (Directive 2001/29/EC) and the 2004 Law Enforcement Directive (2004/48/EC) – have been incorporated into Hungarian copyright law, the effectiveness of copyright enforcement still leaves much to be desired. It remains to be seen whether the recently amended rules regarding the copyright liability of online content-sharing platforms (Act No. XXXVII of 2021) will result in a higher level of protection for rights holders. Moreover, Hungary's copyright liability exemptions discourage rights holders from initiating actions to obtain relief from internet service providers.

Criminal enforcement is a persistent challenge for rights holders in Hungary, although there has recently been a significant improvement in the professionalism of the tax authority's online copyright and related rights infringement team – which has investigation competency in criminal online copyright proceedings – in assessing copyright legal issues.

Legislation

Restrictions on AV Services and Films Displaying LGBT+ Content – Following the amendment of the Hungarian Media Act in 2021, audiovisual (AV) services and films presenting LGBT+ content are in the highest restriction category, regardless of whether they are presenting sexual content or merely presenting the subject matter in a factual context. The categorization of films is carried out by the National Film Office under the Media Authority and is required by all media service providers. Because of the amendment to the Hungarian Media Act in 2024, this restriction will apply not only to traditional linear media service providers but also to all service providers, including online film content providers under Hungarian jurisdiction.

MARKET ACCESS ISSUES

The Italian Consolidated Audiovisual Media Services Act sets out burdensome rules on programming quotas and investment requirements for linear and non-linear services. The quotas have numerous sub-quotas that are highly prescriptive, complex, restrict the commercial freedom of local industry players, and limit consumer choice.

Broadcast Quotas – Going beyond the Audiovisual Media Services Directive (AVMSD) content quotas, Italy has introduced additional sub-quotas for Italian works (ranging from 16.6% to 25% depending on the type of broadcaster) and children's TV programs.

VOD Quotas – Going beyond the AVMSD requirements, Italy requires European works that are eligible to satisfy the quota to be produced within the last five years. In addition, 15% of the titles in a video-on-demand (VOD) service provider's catalogue must be reserved for Italian works produced by independent producers within the last five years.

Broadcast Investment Obligation – Going beyond the AVMSD requirements, commercial broadcasters must annually invest 12.5% of their revenues into the production of independent European works. 50% of this share (i.e., 6.25%) is reserved for Italian works produced within the past five years. In addition, 3% of that 12.5% of revenues is reserved for Italian cinematographic works produced by independent producers. Of this 3%, 75% must be devoted to feature films produced within the past five years. The national public broadcaster RAI is not subject to the same investment obligations.

VOD Investment Obligation – The Italian Single Audiovisual Act was revised in 2024, and VOD providers must now devote 16% of their annual net revenues generated in Italy to the production of European works. 70% of that investment obligation must be reserved for strictly Italian works produced by independent Italian producers within the past five years. A further sub-quota, 3% of the total investment obligation, must be reserved for cinematographic works of Italian original expression produced by independent producers.

Network Usage Fees and Telecom Regulations – AGCOM Resolution No. 207-25-CONS, published in July 2025, resolves that content and application provider (CAP) owners of a Content Delivery Network (CDN), as well as CDN providers, should be subject to Public Electronic Communications Networks regulations. This may raise compliance issues with EU law and practices. Additionally, it would result in a proliferation of disputes against CAPs and CDN providers who deliver the majority of internet content, with U.S. providers being the primary targets. By multiplying disputes against U.S. CAPs and CDN providers and building on the precedent set by these disputes, European telecommunication companies will be able to establish de facto network usage fees.

AI Rules – To benefit from the Italian production tax incentive, a new obligation has been introduced requiring the labelling of the use of AI in the credits of Italian works, creating burdensome requirements for the film and TV industry. The Tax Credit Decree also requires AI clauses in authors' and performers' contracts for tax credit eligibility concerning Italian productions, and the line producer and costs incurred in Italy with respect to international works. The recently issued Ministerial guidelines mirrors the clauses from the Performers' CBAs, making them binding for tax credit eligibility purposes. These limitations are detrimental to contractual freedom.

MPA appreciates the recent approval of the Italian AI law, which appears to maintain a balanced regulatory approach with respect to the AV market. As regulatory burdens are a major concern for producers and distributors, an overall objective of growing the business of the sector is best served by facilitating and reducing constraints on enterprises. This includes restrictive regulations on AI, the promotion of regulatory frameworks that support and incentivize a dynamic and evolving AV market, and that do not hamper the benefits of broader national policies.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – The Italian Government's efforts in fighting piracy, prioritizing antipiracy legislation (Anti-piracy Law 93/2023), is reflected in certain piracy consumption indicators which seem to be stable or slightly decreasing. However, the levels of piracy remain high, due to the massive use of streaming piracy, torrent sites, illegal Internet Protocol Television services (IPTV), and unauthorized apps.

Camcording Piracy – Italy continues to be a source of significant audio source theft, in which individuals record local audio tracks in theaters and then match them with existing illegal video camcord copies to create unauthorized copies of films in theatrical release. Video source theft has also become a significant issue, especially for day-and-date releases. It is highly complex for law enforcement to seize an unauthorized live recording while it is being made in a theatre. As such, the AV industry has consistently called for stronger and more effective enforcement of rules. MPA encourages and supports an effective application of Article 3 of the Anti-Piracy Law 93/2023, which increased penalties for camcording and required public awareness and education efforts.

Legislation

Anti-Piracy Measures – In August 2025, AGCOM published the amended text of its Copyright Regulation (Resolution No. 209/25/CONS) which entered into force in September 2025. It extends the use of Piracy Shield – the technological platform that allows for site-blocking within 30 minutes – to time-sensitive AV works, such as first viewings of movies and series and live broadcasting (previously reserved to live sports events). In addition, it also extends the scope of providers involved in site-blocking and delisting, including caching providers, VPNs, alternative DNS, and search engines. MPA applauds the Italian government for its commitment to combat

piracy and encourages a balanced application of these rules.

Antipiracy Costs – Anti-Piracy Law 93/2023 and AGCOM secondary legislation require rights holders, collective management organizations (CMOs), independent management entities, and AV media service providers (including those authorized in another EU Member State) to contribute a percentage (0.03% in 2024 and 0.04% in 2025) of their annual income in Italy to fund AGCOM's anti-piracy activities, and particularly the Piracy Shield platform.

MPA urges the Italian government to identify the appropriate government funding to support AGCOM's activities, rather than relying on private industry, with what is currently a 'victim pays' mechanism.

MARKET ACCESS ISSUES

Investment Obligation – The law mandating video-on-demand (VOD) service providers to invest 5% of national revenues either into Dutch works or into the Dutch film fund entered into force in 2024. This law applies to VOD services with an annual turnover of at least €10 million within the Netherlands. The law includes a 60% sub-quota for independent productions, as well as making the presence of Dutch and Frisian language compulsory in all productions. This presence can be met through having at least 75% of the original screenplay be written in Dutch or Frisian, and/or the main characters express themselves at least 75% in Dutch or Frisian. If one of those criteria is not met, the scenario must be based on an original literary work in Dutch or Frisian, or the main theme must be related to Dutch culture, history, society, or politics.

INTELLECTUAL PROPERTY PROTECTION

Dutch hosting companies host both locally oriented pirate internet sites aimed at various language regions and international English language pirate sites, primarily through co-location. Upon notice from the private Dutch copyright protection foundation, BREIN, hosting companies often terminate the account with their customer and cease hosting the pirate websites. Dutch hosting providers similarly host servers for illegal Internet Protocol Television (IPTV) services. Several cyberlockers are hosted in the Netherlands, and hosting providers refuse to take them offline if cyberlockers have a notice-and-takedown policy. Further, the Netherlands still has one of the highest numbers of unauthorized IPTV service users in Europe.

Enforcement

In practice, Dutch police and public prosecutors only consider acting against internet piracy when illegal turnover reaches a certain financial threshold. However, they do respond to official requests for assistance in criminal investigations by foreign law enforcement. Government policy is that rights holders are responsible for civil enforcement, and that criminal enforcement will be considered only as a last resort. As a result, nearly all enforcement efforts are carried out by rights holders collectively through the BREIN Foundation. The first criminal case was initiated in 2023, and while this is a positive development, it remains wholly insufficient to rely on criminal enforcement. Civil action is therefore necessary to fight digital piracy.

When it comes to civil enforcement, BREIN continues to face opposition from intermediaries, especially access providers, particularly in cases that involve an attempt to obtain contact details of commercial-scale infringers. However, after BREIN secured a final blocking order of The Pirate Bay after 11 years of proceedings in 2020, Dutch internet service providers (ISPs) agreed to a covenant whereby a court order for blocking an infringing website directed to one ISP will be executed voluntarily by the other ISPs. Blocking – both DNS and IP address-blocking – is dynamic, enabling updates by BREIN to address target websites changing domains without further court orders.

MARKET ACCESS ISSUES

Broadcast Quotas – In addition to the Audiovisual Media Services Directive content quotas, Poland operates a sub-quota for Polish language works, requiring broadcasters to reserve at least 33% of their transmission time to programming produced initially in the Polish language.

Investment Obligations – Video-on-demand services, broadcasters, cable TV providers, and cinema operators must contribute 1.5% of revenues from the Polish market to the Polish Film Fund.

Foreign Ownership Restrictions – Poland limits non-EEA ownership in a broadcasting company to 49%. A broadcasting license may be granted to a foreign person, or a subsidiary controlled by a foreign person, whose registered office or permanent place of residence is located in the EEA.

INTELLECTUAL PROPERTY PROTECTION

Internet piracy is a serious concern in Poland. Operators of well-known infringing websites in Poland are often overt and readily identified by the public.

Enforcement

Law enforcement engagement on intellectual property infringement cases in Poland is insufficient and inadequate. Many cases are stuck or dropped due to the inability to identify the infringer. Polish courts are seriously backlogged, and sentences are not sufficiently deterrent.

The creation of specialized intellectual property courts has not brought about any improvements needed. MPA remains concerned that the police will lose interest in working with rights holders because of languishing court cases and disappointing sentences. Furthermore, civil actions against pirate services are ineffective due to the slowness of the legal process in Poland. As an example, Polish filmmakers obtained a court order in 2015 against the *Chomikuj.pl* content hosting platform in relation to the availability of infringing copies of Polish movies, requiring that *Chomikuj.pl* implement various measures to prevent the availability of infringing content. This decision was confirmed by the Kraków appeal court in 2017 and went further on appeal before the Supreme Court, which issued a decision only in 2022.

Legislation

InfoSoc Implementation – Poland has not implemented Article 8(3) of the 2001 Information Society Directive (InfoSoc). Online service providers whose primary purpose is to engage in or facilitate the infringement of intellectual property rights often establish their operations in countries outside the EU with less robust intellectual property law enforcement, or otherwise operate in complete anonymity, making it impossible to locate them or tie them to a specific

country. No-fault injunctions with intermediaries can address such situations, a remedy made possible by Article 8(3) of InfoSoc and confirmed by the Court of Justice of the European Union (CJEU) jurisprudence to be a proportionate and effective remedy (CJEU, C-314/12, March 2014, *UPC Telekabel v. Constantin*). Consistent implementation of existing EU law by all Member States is critical, especially for a provision as key to enforcement as Article 8(3).

The lack of harmonization in this area is a significant obstacle to an EU-wide level playing field and legal certainty in intellectual property enforcement. Moreover, Poland's missing legislation is not consistent with the Commission's live piracy recommendation, which encourages dynamic blocking solutions. The absence of non-fault injunctive relief creates an unsatisfactory two-tiered system: the EU has moved forward with live/time-sensitive blocking, yet blocking of infringing content under a 20-year-old Directive remains unavailable in Poland. The absence of these 8(3) implementations, combined with the lack of enforcement, poses significant problems. Poland's draft Digital Services Act implementation introduces an administrative static site-blocking process overseen by the Electronic Communication Office. This is a first step, but without a solid, fully implemented framework, blocking structurally infringing sites remains unresolved.

DSM Copyright and SatCab Directives – The Polish Parliament adopted the law transposing the Digital Single Market (DSM) Copyright and SatCab Directives, which entered into force in 2024. The transposition goes beyond the Directive by extending the remuneration rights of co-authors and performers of audiovisual (AV) works under Article 70 of the Polish Copyright Law to making available and on-demand use of AV works and subjecting those remuneration rights to mandatory collective management (MCRM). This new remuneration right would allow authors, directors, and performers to claim additional compensation beyond that negotiated, including ongoing residual compensation, for on-demand exploitations of their works, claiming remuneration from third-party distributors such as on-demand platforms, as opposed to producers who are responsible for negotiating compensation for creative contributors. There is a provision for a lump sum compensation arrangement to satisfy these remuneration rights, but the law is not clear as to how this lump sum could be determined, or how it would work in practice. Collective management organizations have a wide latitude to claim remuneration due to the MCRM regime. As a result, this new right, and the lack of clarity as to the application of the lump sum compensation provision, add unnecessary additional costs, undermine contractual freedom, and are likely to cause a chilling effect on investment in the AV sector by adding unpredictable costs that must be borne by third parties. As a result, this regime has an impact on U.S. exports of AV works, increasing distribution and licensing costs.

MARKET ACCESS ISSUES

In 2022, in response to sanctions imposed on Russia following the invasion of Ukraine, the Russian government adopted several restrictive measures targeting foreign investors from "unfriendly" jurisdictions. The measures include an obligation for the foreign shareholders of Russian joint-stock and limited liability companies to obtain governmental approval for any deals involving their shares. In addition, there have been several proposals for the introduction of compulsory licenses for the work of rights holders from "unfriendly" countries. As of 2025, none of the draft laws have been adopted.

Foreign Ownership Restrictions – The Mass Media Law prohibits foreign and Russian legal entities with foreign participation from mass media entities or broadcasters (including through a third party) from owning more than 20% of the capital of an entity that participates in the establishment of a mass media entity or broadcaster.

Ownership restrictions also apply to over-the-top (OTT) services. Foreign ownership of OTT services is limited to 20%, provided that the number of Russian subscribers is less than 50% of the service's total audience (i.e., the rule targets services with mostly non-Russian audiences). Foreign participation above 20% is subject to government review and approval.

Discriminatory VAT – The 1996 Law on State Support of Cinematography provided a VAT exemption for films granted a national film certificate. National film certificates are those given to Russian-made films. Any legal entity distributing a domestic film is exempt from VAT provided that such entity is a cinematography organization. As part of its accession to the WTO, Russia obligated itself to provide national treatment for taxes on similar products. The government of Russia appears to violate this obligation as it is currently applying a VAT to non-Russian films and not to domestic films. Russia raised its VAT from 18% to 20% in 2019.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – While Russia remains host to several illicit sites that cater to English-speaking audiences, negatively impacting markets worldwide, many pirate sites have moved to foreign hosting locations after several legal reforms that allow rights holders to seek injunctions through the Moscow City Court. Infringement on Russian social media platforms – such as VK and OK – remains a significant concern to rights holders.

Illicit Theatrical Screenings – Following Russia's invasion of Ukraine, many international companies suspended operations in Russia. Since then, several operators have organized unauthorized screenings of the titles not officially released in Russian cinemas. The Ministry of Culture generally condemns such practices, but is reluctant to take a proactive, systematic approach to preventing them. It conducts sporadic inspections, and several cinemas have been fined for showing films without a certificate, but it doesn't address the issue of copyright

infringement directly.

Enforcement

Russia needs to increase its enforcement activity well beyond current levels to provide adequate and effective enforcement against intellectual property rights violations – including deterrent criminal penalties – consistent with its WTO obligations. However, in conflict with these obligations, in 2024, the President signed into law amendments to the Criminal Code, which raised the threshold for criminal liability for copyright infringement five times compared to the previous version of the Code. This move makes it more difficult to initiate a criminal investigation.

Russia should take steps to improve the effectiveness of and increase the number of criminal intellectual property rights cases focused on digital and source piracy, and establish a systematic approach to prevent unlicensed exhibition of motion pictures in theaters.

Also, at present, there are no legally mandated notice and takedown procedures to remove links to infringing content from search results. In place of laws requiring compliance with notice and takedown, the representatives of the largest Russian internet companies and Russian rights holders signed the MOU for cooperation in intellectual property rights protection in the digital era in 2018. The MOU introduced a procedure to remove the links to the infringing content from search results at the rights holder's request. The MOU's objective was to develop a law that would regulate search engines' obligations to remove links to infringing websites from search results. The draft law that would replace the MOU and convert its provisions to obligatory requirements entered the parliamentary process in 2021. While there is no hearing date, it remains on the Duma agenda.

SPAIN

MARKET ACCESS ISSUES

Broadcast Quotas – In addition to the content quota mandated by the Audiovisual Media Services Directive (AVMSD) of reserving the majority of transmission time for European works (excluding time allotted to certain types of programming), Spain additionally requires half of these works to be comprised of content in one of the official languages of Spain.

Video-on-Demand Quotas – In addition to the content quota prescribed by the AVMSD of 30% of a catalogue being devoted to European works, Spain requires that half of the works eligible for the quota are produced in one of the official languages of Spain and at least 40% of such works must be reserved for works in one of the official languages of Spain's Autonomous Communities, taking into account their population weight and reserving at least 10% for each.

Screen Quota – For every three days that a non-EU country film is screened, one EU film must be shown. This quota is reduced from four to one if the cinema screens a film in an official language of Spain other than Castilian and shows the film at all sessions of the day in that language. Non-observance of the screen quotas is punishable by fines. These measures ignore market demand for U.S. and non-EU country films and hinder the development of Spain's theatrical market.

Investment Obligations – Spain maintains investment obligations for linear and on-demand services. If revenues are over €50 million, there is an obligation to invest 5% in European AV works. Services can comply with this obligation through the direct financing of European works' production by indirectly acquiring the rights of finished works, and through a contribution to the national film fund or to the fund for the promotion of cinematography and AV works in different co-official languages. A minimum of 40% of the 5% investment in AV works must be reserved for cinematographic works of independent producers in any of the official languages of Spain. There is a 70% sub-quota for independent productions, of which 15% is reserved for official languages other than Spanish, based on population weight, and reserving at least 10% for each of them. Of this sub-quota, a minimum of 30% must be allocated to AV works directed or created exclusively by women.

The AV law, approved in 2022, also establishes that both domestic and non-domestic linear and non-linear services shall contribute 1.5% of their annual gross turnover generated in Spain to the Spanish public broadcaster RTVE. This 1.5% contribution may not exceed 20% of the total income planned for each year for the RTVE Corporation. Free-to-air linear television AV communication service providers shall pay 3% of their annual gross turnover, not exceeding 15% of the total yearly income anticipated by RTVE.

While MPA remain's critical of the principle of financial obligations for linear and on-demand services, Spain at least implemented a more balanced and pragmatic model as it preserves some margin of flexibility for compliance.

Public Subsidy Scheme – The method for awarding subsidies for films and short films is based on a points-based cultural test. The scale was modified to grant an extra point to producers who choose to distribute their movies through independent Spanish film companies, which can make a significant difference in the allocation of funding.

INTELLECTUAL PROPERTY PROTECTION

Illicit theatrical camcording remains a concern for rights holders in Spain. Streaming piracy sites, Internet Protocol Television (IPTV) subscription services, and torrent sites are commonly used in Spain to access infringing content.

Enforcement

Spanish courts issue dynamic site-blocking decisions (including "pirate brand" decisions), with monthly updates sent directly to the internet service providers (ISPs). Additionally, the efficiency of the administrative site-blocking process with weekly updates via the Government Protocol continues to improve. Enforcement against camcording, illegal websites, and IPTV services has also delivered results in recent years. The sports sector started enforcing regular live blocks at the beginning of 2025, which occurred throughout the season. The Spanish Confederation of Business Organizations has been steering industry discussions involving sports and cultural content owners, as well as ISPs and other stakeholders, on potential antipiracy initiatives and improvements to the enforcement framework. Those discussions and efforts are ongoing.

Legislation

In Spain, legislation creating unwaivable remuneration rights, which impose additional compensation obligations on users and distributors of audiovisual works for the benefit of audiovisual authors and performers, has been in place for many years. This regime, which initially targeted third-party distributors of works via linear services and DVD rental outlets, was extended to users in the on-demand space in 2006 with the implementation of the 2001 EU Copyright Directive. The law therefore provides unwaivable rights to additional compensation that must be secured via mandatory collective rights management. This regime creates additional unquantifiable backend costs and administrative burdens for users in the on-demand space. While intended to ensure fair remuneration for authors and performers, the regime layers statutory payment obligations on top of existing contractual agreements, which are especially unfair and unnecessary for works for which equitable compensation has been paid. For international distributors, including U.S. companies, the mandatory nature of these remuneration rights has raised concerns about risks of potential double payment to authors and performers in those works and increases friction in licensing of AV content, especially where ongoing proportionate compensation (i.e., residuals) is already provided for under individual contracts or collective bargaining agreements.

EU E-Commerce Directive – Spain's E-Commerce Law creates a limitation on liability for ISPs that goes beyond the standard permitted by the EU E-Commerce Directive. The law fails to

implement the constructive knowledge standard correctly and confers liability only based on "effective knowledge." In addition, Spain does not require ISPs to respond to any take-down request that is not accompanied by a court order.

Spanish Data Protection Law – This law does not allow a civil party to collect and process infringers' IP addresses on the basis that such addresses are personal, confidential data.

SWITZERLAND

MARKET ACCESS ISSUES

Broadcast Quota – Broadcasters must reserve half of their transmission time for European works, where practicable.

VOD Quota – Switzerland imposed a 30% quota for European works for video-on-demand (VOD) services targeting Switzerland beginning in 2024.

Investment Obligations – Switzerland requires VOD service providers to invest 4% of their annual revenue attributable to Switzerland into local content. If they fail to do so, they must pay a subsidiary levy after a period of four years. International streaming platforms and global internet companies offering films as a secondary activity are subject to this investment obligation if more than 2.5 million CHF in revenue from the operation of television and on-demand services in Switzerland is generated, or more than 12 long-term creditable hours per calendar year are shown.

Reporting Obligations – Service providers must comply with overly complex and detailed reporting obligations on their catalog offerings, as well as the actual demand for/usage of films and TV series on their services. This obligation includes detailed rules on reporting formats (including using uncommon ISAN numbers), which creates a significant administrative burden.

INTELLECTUAL PROPERTY PROTECTION

Switzerland lacks meaningful remedies and effective enforcement against online copyright infringement, in particular against foreign-based piracy sites. This is fostered by the doctrine of legal private use of content from illegal sources, and a lack of action by access providers to block access to such offers. This is particularly concerning, as this dearth of enforcement, coupled with Switzerland's robust technical infrastructure, has made it an attractive host for share hosting (wherein multiple website operators share a single server that hosts their websites, allowing a significant decrease in their monthly server rental costs compared to a private server) and hosting illegal sites. Recent amendments to the Swiss Copyright Act, enacted in 2020, have not yet had a visible effect on such activities and may need to be tested in court cases to become operative.

Unique Distributor Clause – Exploitation of a film in any media, including VOD, now requires a single distributor to maintain exclusive control over all language versions in Switzerland. This is accompanied by laborious registration and reporting duties. This "unique distributor clause" provision in the Film Act lacks clarity regarding the extent of "grandfathering" protection for existing contractual film rights. This heavy-handed amendment interferes with internationally well-established licensing practices.

Enforcement

Introducing efficient and practicable enforcement instruments for intermediaries, particularly

targeting access providers and local data center operators, is crucial. Moreover, Switzerland needs to introduce efficient, practicable instruments to identify the owners of domains (in particular, Switzerland-administered top-level domains) in cases of abuse and begin to enforce rights against such abuse.

Also, Switzerland needs to introduce reasonable, efficient rules of platform liability related to platform-based mass content offerings. In fact, Switzerland has never introduced reliable regulations for internet service providers' (ISPs) liability and has not adopted practices that have become standard elsewhere in Europe and beyond.

Legislation

Copyright Legislation – Switzerland's copyright law remains inadequate, lacking crucial enforcement mechanisms. Critical provisions of Switzerland's enforcement regime, including a stay-down duty for hosting providers and the legal justification for processing personal data such as IP addresses, contain vague legal concepts and lack clarity. Consequently, they will likely require court decisions lasting several years and high costs to remove the ambiguities and become effective. Data processing for purposes of out-of-court or civil law enforcement, such as cease-and-desist letters and injunctions, is also burdened with legal uncertainty.

Swiss law still allows circumvention of technological protection measures for purposes permitted by law, including the inappropriately wide private use exception. In combination, these protection deficits leave the Swiss marketplace largely unprotected against cross-border piracy services. Switzerland must comply with the Berne Convention/TRIPs, WIPO Internet Treaties, and internationally acceptable enforcement standards. Necessary minimum changes include ensuring broader liability under Swiss law for parties who facilitate, encourage, and profit from widespread infringement; engaging ISPs, including access providers, in the fight against online piracy; affirming that current law does not permit copying from unauthorized sources; and implementing adequate civil and criminal enforcement tools, including access blocking.

In addition, Switzerland lacks reliable, abuse-proof standards and limits for orphan works licensing, "scientific research" uses, internal documentation/information copying, and educational uses. The open, undetermined, and unlimited wording of these provisions permits excessive, abusive interpretation, thus creating substantial loopholes in protection against emerging new commercial use cases in conflict with the three-step test.

Furthermore, Switzerland needs to introduce appropriate limitations to permitted private use, such as diligence standards or a legal source requirement for private users, and limits on third-party commercial services permitted under private use.

The Swiss Federal Council adopted a draft in June 2025, introducing an ancillary right for media companies. This aims to ensure that large online platforms (those used by at least 10% of the Swiss population annually) pay remuneration when they use snippets, without any minimum length, or thumbnails of journalistic content. This right is designed as a non-exclusive remuneration right to

be managed collectively through a collecting society. Tariffs are subject to approval by the Federal Arbitration Commission for the Exploitation of Copyrights and Related Rights. This proposal does not grant media companies, including broadcasters, the right to prohibit the use of such content. Only Swiss-based media companies following recognized journalistic standards will be eligible. Parliamentary deliberations are expected to begin by the end of 2025. The new provisions could enter into force as early as 2026.

UNITED KINGDOM

MARKET ACCESS ISSUES

Broadcast Quotas – The UK requires broadcasters to reserve, where practicable, most of their transmission time, excluding time allotted to certain types of programs (such as news and sports) for European programming and 10% of transmission time for European works created by independent producers, of which 50% must be no older than five years.

VOD Quotas – The UK imposes a 30% quota for European works in video-on-demand (VOD) catalogues and related prominence requirements.

Media Act – In 2024, the Media Act 2024 received Royal Assent. The Act contains provisions providing the communications regulator, Ofcom, with new regulatory powers to draft and enforce a Code for "Tier 1" VOD providers. It extends regulation to providers that, while they may not be headquartered in the UK or make editorial decisions in the UK, are nonetheless made available to the UK public. Ofcom has recently delivered a report on the state of the UK VOD market to the Secretary of State for Culture, as required under the Act, and this will inform the Secretary of State's decision to designate "Tier 1" VOD services. Ofcom plans to consult on a VOD code and guidance in late 2025 or early 2026, and intends to have the new code in place by mid-2026.

Freedom of Movement – The free movement of people, goods, and services previously enjoyed by European and UK citizens moving between the UK and the EU ended in 2021. This has added some friction to the process of producing audiovisual content in the UK following the absence of a specific agreement covering the movement of cast, crew, and equipment between the UK and the EU for productions in the UK-EU Trade and Cooperation Agreement. The UK government continues to pursue bilateral discussions with individual EU Member States to try to reduce costs and bureaucracy around cross-border working and movement of goods and equipment.

INTELLECTUAL PROPERTY PROTECTION

Online piracy of films, television content, and sports broadcasts in the UK occurs primarily via streaming piracy sites and apps, illicit streaming devices (ISDs), and Internet Protocol Television (IPTV) subscription services.

Organized criminal gangs are increasingly involved in the importation, configuration, and marketing of ISDs and apps. MPA appreciates the Border Agency's increased interest in tackling this problem.

Enforcement

UK courts issue dynamic site-blocking orders (including "pirate brand" orders and orders targeting illegal IPTV services and cyberlockers), with monthly updates sent directly to the major UK internet service providers.

Legislation

TDM Exception – The Labour government has recently closed a public consultation on proposals for addressing the use of copyrighted materials to train AI models. The government should ensure that any approach it identifies does not restrict contractual freedom. If it does pursue a new text and data mining (TDM) exception, the exception must contain safeguards for rights holders, including lawful access, the ability to opt out in an effective and non-burdensome manner, and clear copyright transparency provisions.

NATIONAL TRADE ESTIMATE

MIDDLE EAST

MOTION PICTURE ASSOCIATION

MARKET ACCESS ISSUES

Draft Media Bill – In May 2025, Israel's Ministerial Committee for Legislation approved an updated Broadcasting (Communications) Bill, which is now awaiting submission to the Knesset. The revised bill maintains an investment obligation that would apply to both domestic and international content providers, and the percentage of the obligation has increased in comparison to previous drafts: content providers with annual revenues over 40 million shekels must now invest 6.5% in "high-quality genre" through "local production." For content providers who were not previously subject to an investment obligation, the rate will phase in gradually from 2.0% in 2026 to 6.5% by 2032. This bill also does not provide an exemption for thematic or niche audiovisual (AV) services. The bill also appears to maintain several elements from the prior draft, including the unprecedented intervention into sports broadcasts that undermines exclusive property rights and restricts competition. The bill also prohibits news exclusivity and fails to adequately protect and preserve copyright in content by mandating a compulsory license without compensation to rights holders for the retransmission of broadcast channels through a streaming application.

In 2024, Israel's Minister of Communications published a draft related bill that aims to provide free access to nearly all linear broadcasts. This would result in a "must-buy" rule for local broadcasters. Additionally, the inclusion of catch-up functionality would be compulsory without compensation to the broadcasters. The draft was adopted as a government bill in May 2025. While the final text has not yet been published, its content will foreseeably remain unchanged.

Competition Authority – Israel's Competition Authority launched a consultation in 2023 on whether a collective management organization (CMO) representing Israeli AV producers can secure an exemption from Israeli competition law, enabling the CMO to collectively license the exclusive rights of individual producers to certain foreign entities for exploitation in Israel and abroad. The broad grant of rights to this CMO, which includes all forms of exploitation, including linear broadcasting and on-demand streaming, would also encompass future works. The consultation process has not yet been resolved, and the Competition Authority has not made any public statements on the matter.

INTELLECTUAL PROPERTY PROTECTION

Draft Performers Bill – The Ministry of Justice decided in 2024 to support a performers' bill based on a government official's proposal. Since then, the Parliament committee responsible has organized several hearings with stakeholders. There is a risk that this bill affects contractual freedom and imposes retroactivity of the law. The primary and most worrying takeaway from the current state of the discussion is that of an unwaivable remuneration right, subject to mandatory collective rights management and paid by on-demand services.

NATIONAL TRADE ESTIMATE

WESTERN HEMISPHERE

MOTION PICTURE ASSOCIATION

Our industry's largest foreign markets in the Americas – Brazil, Canada, and Mexico – each pose a unique set of challenges for U.S. media and entertainment exports. MPA has seen that policies impacting market access in these territories can sometimes proliferate across the region, impacting the global policy framework.

MPA members face local content quotas throughout the hemisphere. Brazil has raised its screen quota in recent years and recently imposed sub-quotas on large theatrical releases. Brazilian lawmakers are also exploring the imposition of taxes and quotas on the over-the-top (OTT) market. In Mexico, there have been legislative attempts to impose local content quotas on both theatrical and OTT distribution channels via the Federal Telecommunications and Broadcasting Law or through amendments to the Federal Cinematographic Law. In contrast, MPA applauds Argentina's recent revocation of its screen quota.

As providers of streaming services throughout the region, MPA members remain concerned about the potential negative impacts of network fees, a concept under discussion among several regulators in Latin America. Content providers already heavily contribute to the internet ecosystem, and there is no evidence of a market failure that would require regulatory intervention. Moreover, network fees are likely to harm competition and undermine investments made in content. These fees, if imposed, would also appear to contravene provisions of several free trade agreements in the region.

Canada maintains a multitude of discriminatory and outdated content quotas for broadcast and pay-TV that artificially inflate the total spend on Canadian programming. In 2022, legislation was reintroduced to reform the Broadcasting Act via Bill C-11 (Online Streaming Act), which received Royal Assent in 2023, and now provides the Canadian Radio-television and Telecommunications Commission (CRTC) with sweeping powers to regulate non-Canadian digital media services delivered over the internet, including those provided by MPA members. The Online Streaming Act also grants the CRTC the power to make regulations that would impose financial, discoverability, and reporting obligations to support the Canadian broadcasting system. As part of its regulatory plan to implement the Online Streaming Act, the CRTC issued a 2024 decision requiring certain non-Canadian digital media services to pay 5% of gross annual Canadian broadcasting revenues as a "base contribution" to a number of local production funds. This includes a 1.5% base contribution to be paid to a local news production fund. Payments were to be made by August 31, 2025, with certain aspects of the CRTC's decision currently under appeal. The CRTC has also undertaken additional public consultations, which will culminate in the finalization of overall contribution requirements for Canadian and non-Canadian digital media services. Decisions are expected to be made in Fall 2025.

The U.S. motion picture and television industry also faces barriers in the form of foreign ownership caps and advertising restrictions. For example, Brazil, Canada, and Mexico all maintain foreign investment limitations in their broadcasting or pay-TV markets. Further, Argentina and Mexico impose strict advertising limitations on pay-TV channels.

Beyond traditional market access barriers, our industry also faces *de facto* trade barriers in the form of widespread content piracy. While hard goods piracy persists throughout the Americas, online piracy is the primary barrier and priority for the motion picture and television industry. Of particular concern is piracy from illegal Internet Protocol television (IPTV) services that provide unauthorized telecommunication signals/channels and video-on-demand content to a global audience. Although Brazilian enforcement authorities have deployed important raids against online content piracy in recent years, namely Operation 404 against illegal digital content, these actions have not sufficiently addressed the issue. MPA is encouraged that Brazilian regulators, including the Brazilian Film Agency (ANCINE) , are taking steps to implement the site-blocking provision enacted in 2024 through Federal Law #14.815, which empowers the agency to enforce copyright on a larger scale.

Another regional threat in Latin America and Canada is the proliferation of illegal streaming devices (ISDs) . These devices are popular throughout the region and are a leading vehicle for the online piracy of audiovisual (AV) material, especially in Brazil, where ISDs continue to proliferate in the market despite several notable enforcement efforts, such as inspections and seizures by the Brazilian Telecom Agency in the past year.

Organized criminal online piracy and piracy release groups that release the first sources of pirated content have been identified in Argentina, Brazil, Chile, Ecuador, Guatemala, Mexico, and Peru. These groups are overtly profit-driven and use different distribution channels to release illicit content online. In general, they also have a close association with hard goods operators. Moreover, over the past several years, Latin American release groups have extended their operations outside the region, recruiting operatives in the United States and Russia. Countries' legal and enforcement frameworks must promote accountability and the rule of law and create incentives for intermediaries to cooperate with rightsholders in combating this ongoing problem.

Theatrical camcording as a source of piracy is a persistent problem in Latin American cinemas, although progress against this crime is improving overall. Anti-camcording legislation is a critical tool to assist local law enforcement efforts against camcorder piracy. Some countries, such as Argentina and Canada, have legislative frameworks that have fostered effective enforcement against this damaging source of piracy. Brazil's recently enacted Federal Law #14.815, when implemented, will enable ANCINE to enforce against this form of source piracy. MPA also commends Peru for its recent Criminal Code modification that will provide authorities with a more efficient tool to sanction camcording violations. Meanwhile, in 2020, Mexico enacted the USMCA legal reforms that included changes to the criminal code that provide new tools for the prosecution of camcording pirates, including the removal of the "proof of profit" requirement, which was an important legislative improvement. However, Mexican authorities have not enforced these provisions, nor initiated any criminal investigations to prosecute camcording pirates. As a result, Mexico remains a top location for illegal camcording activity.

AV piracy is a rising concern in Central America and the Caribbean regions, particularly with unlawful retransmission of pay-TV and broadcasting signals, as well as online piracy. Local

internet service providers (ISPs) and pay-TV distributors often bundle unauthorized content with legitimately licensed content, hampering enforcement. Mexico continues to suffer from very high rates of copyright piracy, including through online streaming, peer-to-peer file sharing, direct downloads, stream ripping, ISDs and apps, and circumvention devices for AV content. In addition, enforcement authorities, regulators, and private stakeholders should work together to protect intellectual property rights and prevent unlicensed distribution of AV content in other parts of the region, especially in the Caribbean, El Salvador, Guatemala, and Honduras, using tools that are available in most countries around the world, such as cable retransmission takedown orders, site-blocking, and legal proceedings, including cease-and-desist letters.

MPA continues to monitor legislative proposals in Latin America that have introduced or seek to introduce unwaivable statutory remuneration rights for authors and performers in the AV and music sectors, with particular attention to any proposals that would subject such rights to mandatory collective rights management (MCRM) by collective management organizations (CMOs) . Of greatest concern are MCRM initiatives aimed at making available and/or communicating to the public exploitations. This includes interactive on-demand services targeting third-party distributors of copyright works, such as streaming services, as well as linear services and exploitations. Such a system is already in place in Argentina, though fortunately, the government has begun to roll back MCRM effective as of February 2026. These rights can be asserted by CMOs against other licensees who have no contractual relationship with authors or performers, including streaming services, cinemas, and television broadcasters that have acquired exploitation rights by license from producers, but who face subsequent claims for remuneration from a panoply of CMOs representing authors and performers.

CRM and MCRM have profoundly negative impacts on U.S. exports in the AV sector through secondary effects that undermine the compensation structures established in collectively bargained agreements with the creative talent in U.S. AV works by imposing additional, unjustified increases in distribution and licensing costs. These initiatives also undermine the free exercise of exclusive rights and contractual freedom while imposing unquantifiable yet unknown back-end costs on distributors of AV works, including streaming platforms, even as producers of works that are distributed and made available have already negotiated fair, ongoing compensation for authors and performers with their representative unions. These kinds of initiatives, particularly when MCRM is imposed, confuse the marketplace for rights clearance as well as the erosion of market value for all stakeholders.

Other countries in the region have introduced unwaivable author and performer remuneration rights, including Chile, Colombia, Peru, and Uruguay. A proposal for such rights is pending in Costa Rica and has long been discussed in Brazil. Some systems, such as Colombia and Peru, for performer remuneration rights, impose MCRM; the Chilean proposals seek to introduce MCRM for music performer rights, including when sound recordings are incorporated into AV works and thus should have no copyright protection under international norms. The only functioning CMO in Uruguay, representing author remuneration rights, has asserted that remuneration rights are subject to MCRM; however, the legal situation remains unclear due to patchwork and inconsistent legislative efforts.

These regimes of unwaivable remuneration rights, particularly when subject to MCRM, significantly disrupt the sanctity of contracts, imposing unnecessary additional costs for administration that must be borne by third parties not in privity of contract with creative stakeholders. All these elements have a chilling effect on investment in the AV sector. As a result, such regimes have a profoundly negative impact on U.S. exports of AV works, increasing distribution and licensing costs and eroding revenues for users.

Over the past few years, several governments in the region have amended their copyright frameworks or are actively considering amendments. The Canadian government passed long-awaited reforms to implement the WIPO Digital Treaties, but further amendments to the Copyright Act are needed to appropriately deal with the new forms of online copyright infringement that were not present, dominant, or contemplated when the Copyright Act was last amended in 2012, including streaming sites, IPTV subscription services, and ISDs. In addition, there are aspects of the legal framework in Canada that do not provide appropriate legal incentives for intermediaries (e.g., ISPs, payment processors, online advertising networks, hosting providers, etc.) to cooperate with rightsholders in deterring online copyright infringement. The framework also provides broad exceptions to copyright that remain untested. As governments in the region consider reforms to address copyright in the digital age, it is critical for the U.S. government to continue to engage them on the need for these reforms to be consistent with both the international copyright framework – especially regarding exceptions and limitations to copyright – and, in the case of FTA partners, consistent with their bilateral obligations.

In 2020, Mexico enacted reforms to its Copyright Law, Criminal Code, and Industrial Property Law to comply with its USMCA commitments. Despite the strides Mexico has made in its efforts to implement USMCA, additional work is needed to properly implement these provisions, particularly the issuance of the secondary regulations from the Copyright Law and the Industrial Property Law, and to maintain sufficient resources for prosecutors to enforce Criminal Code provisions. Further amendments are also needed to the Copyright Law or Civil Code to cover cable systems, as well as to provide civil remedies for satellite and signal piracy.

MARKET ACCESS ISSUES

Pay-TV Content Quotas – Law #12.485/2011 imposed local content quotas for pay-TV, requiring every qualified channel (those airing films, series, and documentaries) to air at least 3.5 hours per week of Brazilian programming during primetime. It also required that half of the content originate from independent local producers and that one-third of all qualified channels included in any pay-TV package must be Brazilian. Implementing regulations limit eligibility for these quotas to works in which local producers are the majority intellectual property rights owners, even where such works are co-productions, and regardless of the amount invested by non-Brazilian parties. These quotas were recently renewed until 2038.

Screen Quotas – Theatrical quotas were recently renewed until 2033. The obligations include exhibiting a minimum percentage of Brazilian works, proportional to the number of screens of the complex, and a minimum number of different works simultaneously, also proportional to the number of screens. Moreover, theater complexes with between three and five screens cannot exhibit the same work in over 66% of the screenings of a day, while those with six or more screens cannot exhibit the same work in over 50% of the screenings of a day, preventing large theatrical releases from playing continually. The MPA opposes local content quotas, which limit consumer choice and can push consumers toward illegitimate content sources.

VOD Tax and Regulatory Framework – Brazil currently applies a Condecine tax on a per-title basis to films, pay-TV, and "other segments." This tax does not apply to video-on-demand (VOD) services. However, there are several bills pending in the Brazilian Congress that would extend the Condecine tax to VOD services, including with respect to profit remittance, as well as impose other obligations on VOD service providers – such as catalogue quotas – and prominence for local works. These bills, most notably #8889/2017 and #2331/2022, could undermine the viability of providers, chill investment, and reduce consumer choice. While we recognize that measures to promote domestic audiovisual (AV) works are a legitimate cultural policy objective, their design should accommodate and encourage diverse business models. It should allow for sufficient flexibility, enabling producers and VOD providers to structure investments based on audience interest, economic viability, and the creative potential of each project.

Kids Online Safety Act – Brazil is moving to implement Law #15211/2025, the "ECA Digital." While this initiative represents a commendable step toward strengthening child protection in the digital environment, VOD service providers remain concerned about its implementation and forthcoming secondary regulations. It is essential that the regulatory process recognizes that VOD services operate under editorial control and present comparatively lower risks to minors' safety.

Tax Issues – Foreign-based companies operating in Brazil face a complex tax landscape, arguably more burdensome and costly than in any other territory where they operate. These measures include Brazil's Withholding Tax (WHT) on Services, Contribution for Intervention in the Economic Domain (CIDE) on remittances, a recent increase on the Tax on Financial Operations

(IOF), and the possibility of a Digital Services Tax. While these legislative measures mentioned above do not explicitly name U.S. companies, their structure, scope, and practical effect are such that digital service providers – most of which are U.S.-based – bear a disproportionate share of the financial burden resulting from the proposed taxes and contributions.

Brazil's legislature is currently considering multiple bills that would impose new taxes on digital services and foreign companies, including Bills #131/2020, #218/2020, #2358/2020, #2421/2023, #157/2025, #1068/2025, and #1087/2025. These proposals create social contributions and targeted levies, such as the CIDE, which is not a general tax, but a fiscal instrument typically used to finance sectoral programs or policy initiatives in areas such as technology, fuel pricing, or AV development.

Several proposals disregard the principles under Brazil's ongoing tax reform and diverge from the OECD's international tax policy framework. They also often fail to consider the distinct operational characteristics of different digital services; particularly, CIDE on remittances merits heightened attention. As the pending judicial dispute has been resolved unfavorably to taxpayers (Supreme Court Appeal #928943) , remittances abroad, which are already subject to existing taxes and the potential Condecine-VOD levy, might also incur CIDE at a 10% rate. This substantially increases the effective cost of cross-border transactions.

Additionally, Brazil's WHT regime imposes tax on outbound payments for services (even when performed entirely outside Brazil) in a manner inconsistent with OECD standards, which generally require a sufficient nexus (e.g., a permanent establishment) for taxation at source. Other bills under discussion, such as #1087/2025, are further aimed at increasing the tax burden already being paid by foreign companies, which introduces a 10% withholding tax on dividends distributed to non-resident beneficiaries, including corporate shareholders headquartered abroad. In parallel, the government has also advanced measures such as Executive Order #1303/2025, which raises taxation on interest on equity from 15% to 20%, a form of capital remuneration treated similarly to dividends. Similarly, increases to the IOF pose an additional burden on foreign investors, running counter to efforts to promote capital mobility, lower the cost of doing business, and maintain regulatory predictability.

Network Usage Fees and Telecom Regulations – There is an active debate in Brazil over network usage fees, with the Brazilian Telecom Agency (ANATEL) , telecom companies, and the Ministry of Communications pushing for their implementation. In 2023, ANATEL launched a public consultation that included a discussion on network usage fees to fund telecommunication infrastructure, with a follow-up consultation in 2024.

Since then, ANATEL has reportedly drafted a proposal ruling that online service providers (OSPs) , which are "large network users," including U.S. streaming companies, would be subject to telecommunications regulations. Large telecommunication operators have explicitly framed this measure as a means to extract payments from U.S. technology and content providers. This proposal would contradict Brazilian law and practice, including dispute resolution mechanisms for

interconnection, resulting in a proliferation of disputes against OSPs, with U.S. providers being the primary targets.

Additionally, Bill #2804/2024 aims to oblige OSPs to pay ISPs when they are responsible for over 3% of a network's bandwidth and force OSPs with yearly gross revenues over US$10 million to contribute to FUST (a telecommunication fund) .

A different bill in the Lower House (#469/2024) would prohibit network usage fees and has already been approved by two of the House's Committees. MPA supports Bill #469/2024 and opposes the adoption of such fees, which would severely impair competition in the Brazilian market (especially considering that ISPs frequently also offer AV content) , harm consumers, and negatively impact net neutrality.

Account Sharing – Brazil's legislature is currently discussing bills (#2497/2023, #3299/2023, and #1153/2024) that intend to limit or prohibit measures taken by online subscription service providers to prevent account sharing among their users. MPA opposes these restrictions because they would not only impact providers' revenues and general freedom of contract but would also weaken copyright enforcement.

Foreign Ownership Limitations – Brazil currently maintains a 30% foreign equity cap for broadcast networks.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Brazil's legitimate online audiovisual services continue to suffer from the widespread availability of illicit, advertising-supported services, despite the increasing availability of legitimate options. While some Brazilian authorities have made efforts to enforce copyright protection in recent years (including rights held by US stakeholders), additional measures are needed to improve the volume and sophistication of operations in order to combat the pervasive level of piracy affecting the market and region.

Enforcement

Operation 404 is the most impactful and vital enforcement initiative led by the Brazilian government and is a model of public–private cooperation in the protection of copyrighted content in the region. The initiative benefits from the support of multiple foreign governments and has resulted in the blocking of hundreds of pirate applications, as well as the arrests of individuals responsible for copyright infringements in the past several years.

Operation 404's results show that such efforts create tangible results in a country with pronounced piracy. If similar enforcement actions were undertaken with greater frequency, the raid's scope and effectiveness could be even more impactful. However, state-level law enforcement and judicial authorities are not yet fully equipped to address piracy and the organized crime structures behind it due to a lack of resources and excessive bureaucratic hurdles. This delay reflects operational and

resource challenges that hinder consistent enforcement. There remain additional challenges at the federal level as well. Under the Ministry of Justice, the National Council for Combating Piracy – which is tasked with coordinating and advancing public policy related to intellectual property protection in Brazil – continues to face understaffing and resource constraints, significantly hindering its ability to perform its functions effectively.

Brazil has yet to implement an efficient administrative site-blocking system to curb the availability of piracy sites and services. Encouragingly, the Brazilian Film Agency (ANCINE) appears ready to implement the site-blocking provision created by Federal Law #14.815/2024 by the end of the year.

Legislation

Copyright Reform – Rightsholders are troubled by several legislative proposals (e.g., Bills #6117/2009, #3133/2012, and #21/2020) that create broad exceptions and limitations to copyright. These bills are inconsistent with Brazil's international obligations and, if enacted, would deter investment in Brazil's creative industries. Moreover, the latest wording of Bill #2.370/2019, in addition to Bill #4968/2024, aims to reform the Copyright Act to create an additional remuneration layer affecting rightsholders of copyrighted works used online.

Site-blocking Legislation and Initiatives – Law #14.815/2024, which was enacted in 2024, grants ANCINE the authority to suspend and prevent the future showing of any unauthorized use of protected AV works. ANATEL, helpfully for rightsholders, has been enforcing against illegal pay-TV signals through site-blocking mechanisms. ANCINE is reportedly preparing to implement blocking measures pursuant to Law #14.815/2024 by the end of 2025.

Subtitling and Dubbing of AV Works – The Lower House has started to debate the nationality/location of professionals and companies that dub and subtitle AV works (Bill #1.376/2022). This could result in a protectionist policy that excludes work by foreign dubbing artists/companies or Brazilian professionals residing abroad. In the latest version of the bill, a new provision would forbid the assignment of images, voices, or other personal data of actors and voice dubbers. In addition, Bills #4869/2023, #3392/2024, and #2462/2025 create obstacles to contractual freedom between producers and voice actors by imposing statutory obligations and, among other detrimental measures, prohibiting the use of AI tools for dubbing purposes. Such provisions are an undue encroachment upon economic and contractual freedom, as well as upon the inalienable personal right of individuals to authorize the use of their image and voice in exchange for remuneration.

AI Regulation – Senate Bill #2338/2023 aims to create a General AI Framework that includes the use of copyrighted material for AI training, including text and data mining, as well as output labelling obligations. Policymakers should proceed with care as discussions evolve. The treatment of copyright in this regulation will impact the AV industry, which depends upon strong copyright protection in the digital environment to generate revenue.

MARKET ACCESS ISSUES

Obligations on Non-Canadian Digital Media Services – The Online Streaming Act received Royal Assent in 2023. As a result, the CRTC has sweeping powers to regulate non-Canadian digital media services, including the power to make regulations that would impose financial, discoverability, and reporting obligations to support the Canadian broadcasting system. As part of its regulatory plan to implement the Online Streaming Act, the CRTC issued a decision in 2024 requiring non-Canadian digital media services with $25 million or more in annual Canadian gross broadcasting revenues (including non-Canadian digital media services with less than $25 million in annual Canadian gross broadcasting revenues but that are part of a broadcasting ownership group that reaches the $25 million threshold in the aggregate) to pay 5% of those revenues to certain funds. Notably, 1.5% of this base contribution is to be paid to a local news production fund, regardless of whether foreign streamers are producing Canadian news content or not. Payments were made by August 31, 2025. The CRTC has also undertaken a series of additional public consultations, which will culminate in the finalization of the overall contribution requirements for non-Canadian digital media services as well as other aspects of its new regulatory framework. Decisions are expected to be made in Fall 2025. In this regard, the CRTC is considering proposals for financial contributions by non-Canadian digital media services as high as 30% of annual Canadian gross broadcasting revenues. Certain aspects of the CRTC's decisions are currently under appeal. The Online Streaming Act is inconsistent with USMCA, and the Government of Canada should ensure that the CRTC's implementation of the Online Streaming Act does not impose undue burdens or obligations on non-Canadian digital services, including by repealing the requirement for non-Canadian digital media services to pay 5% of Canadian gross broadcasting revenues to local production funds and preventing the CRTC from imposing additional financial and non-financial contribution requirements on non-Canadian digital media services.

Television Content Quotas – The Canadian Radio-television and Telecommunications Commission (CRTC) imposes two types of quotas that determine both the minimum Canadian programming expenditure (CPE) and the minimum amount of Canadian programming that licensed Canadian television broadcasters must carry (Exhibition Quota). Such quotas are discriminatory and artificially inflate the amount expended on, or the time allocated to, Canadian programming.

Large English-language private broadcaster groups have a CPE obligation equal to 30% of the group's previous year's gross revenues from their conventional services and discretionary services (specialty and pay-TV) combined. CPE obligations have also been assigned to operators of independent television stations and independent discretionary services that have over 200,000 subscribers upon renewal of their licenses and are based on historical levels of actual expenditures on Canadian programming.

As directed by the Exhibition Quota, private conventional broadcasters must exhibit no less than 50% Canadian programming from 6 p.m. to midnight. Private English-language discretionary

services (specialty and pay-TV) must exhibit no less than 35% Canadian programming overall.

Non-Canadian Signal and Service Restrictions – Canadian broadcasting distribution undertakings (BDUs), such as cable, Internet Protocol Television (IPTV), and direct-to-home satellite, must offer more Canadian than non-Canadian services. These protectionist measures inhibit the import of U.S. media and entertainment services into the Canadian market.

BDUs must offer a "skinny basic" tier for no more than $25 per month that may include one set of "U.S. 4+1" (ABC, CBS, FOX, NBC, and PBS) from the same time zone as the BDU's headend, where available, if not, from another time zone. BDUs may also offer an alternative basic tier that includes the same set of U.S. 4+1 signals. A BDU may only offer a second set of U.S. 4+1 signals to its subscribers if it receives authorization by the CRTC pursuant to a condition of license. Unless otherwise authorized by the conditions of license, the second set of U.S. 4+1 signals may be offered only to cable or satellite subscribers who also receive at least one signal of each large multi-station Canadian broadcasting group originating from the same time zone as the second set of U.S. signals.

Except as permitted in a BDU's license from the CRTC, all other non-Canadian signals and services may only be carried on a discretionary basis and must be selected from the list of non-Canadian programming services authorized for distribution (the Authorized List) a pproved by the CRTC and updated periodically. A service will not be added to the Authorized List if a competitive Canadian pay or specialty service (other than a national news service) has been licensed. Further, a service may be removed from the Authorized List if it changes formats and thereby becomes competitive with a Canadian pay or specialty service, if it solicits advertising in Canada, or if it does not conduct its negotiations and enter into agreements with BDUs in a manner that is "consistent with the intent and spirit of the Wholesale Code." A principal purpose of the Wholesale Code is to prohibit contractual terms that discourage or penalize the offering of services on a stand-alone basis.

Broadcasting Investment Limitations – The Broadcasting Act provides that "the Canadian broadcasting system shall be effectively owned and controlled by Canadians." Pursuant to a 1997 Order in Council, all broadcasting licensees, which are both programming undertakings (conventional, pay, and specialty television) and distribution undertakings (cable and IPTV operators and satellite television distributors) , must meet certain tests of Canadian ownership and control: (1) a licensee's CEO must be Canadian; (2) at least 80% of a licensee's Directors must be Canadian; and, (3) at least 80% of the licensee's voting shares and votes must be beneficially owned and controlled by Canadians. If the licensee is a subsidiary corporation, its parent must be Canadian, and at least two-thirds of the voting shares and votes of the parent must be beneficially owned and controlled by Canadians. The parent corporation or its directors cannot exercise control or influence over the programming decisions of its licensee subsidiary where Canadians own and control less than 80% of the voting shares and votes, the CEO of the parent company is non-Canadian, or less than 80% of the directors of the parent corporation are Canadian. In such circumstances, the CRTC requires that an "independent programming committee" be put in place to make all programming decisions pertaining to the licensee, with non-Canadian shareholders prohibited from representation on such an independent programming committee. No other

developed market in the world maintains such discriminatory foreign investment limitations.

Québec Distribution Restrictions – The Québec Cinema Act severely restricts the ability of non-Québec-based theatrical film distributors to do business directly in Québec. Since 1986, some MPA member companies have been permitted to apply for a Special License for any film produced in English that meets the less restrictive requirements set out in an Agreement between the MPA and the Québec Minister of Culture and Communications. The Agreement was revisited in 2022 and was extended for seven years.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Canada's digital marketplace remains hampered by widespread copyright infringement. Canada has seen an influx of operators, sellers, and resellers of infringing paid subscription piracy services (including IPTV and video-on-demand [VOD] services). Canadian operators are also actively engaged in the theft of telecommunication signals, thereby acting as the sources of content for these illegal services. Streaming sites and other online sources for unauthorized movies and TV shows, illegal streaming devices (ISDs) , and apps remain readily available both online and in the retail market, suppressing the demand for legitimate digital streaming and VOD services. Amendments to the Copyright Act, which came into force in 2012, created an "enablement" clause whereby providing "a service primarily for the purpose of enabling acts of copyright infringement" constitutes infringement. While online services that enable others to make illegal copies (such as torrent or peer-to-peer sites) are now subject to civil liability, the current tools in the Copyright Act are insufficient to deal appropriately with the new forms of online piracy that were not present, dominant, or contemplated in 2012, such as streaming sites, cyberlocker (host) sites, ISDs configured to allow users to access unlicensed content, and illegal IPTV subscription services. In addition, there are aspects of the legal framework that do not provide appropriate legal incentives for intermediaries to cooperate with rightsholders in deterring piracy. The framework also provides broad exceptions to copyright that remain untested.

Enforcement

Historically, crown prosecutors have been reluctant to seek the breadth of remedies for intellectual property crimes. This issue often arises due to a knowledge gap concerning the prosecution of intellectual property crimes, a problem that is amplified when dealing with emerging piracy models. While there have been recent prosecutions, ongoing education of crown prosecutors is key to ensuring Canada stays ahead of criminals engaged in online piracy.

MARKET ACCESS BARRIERS

Advertising on Broadcast and Pay-TV Services – Mexico imposes advertising limitations and incentives that aim to promote domestically-made programming. Pay-TV channels, which are primarily operated by foreigners, are forced to abide by both daily and hourly advertising limits, while their domestic and free-to-air counterparts are allowed almost twice the daily advertising limit and are not subject to hourly caps. For the past 20 years, channels have been allowed up to 12 minutes of advertising per hour under a practice known as "averaging," so long as they did not exceed the 144-minute daily limit. This practice was adopted in 2000, approved by the regulator in 2011, and affirmed by Mexico's Superior Court of Tax and Administrative Justice in 2014. Mexico imposes unfavorable advertising limitations on U.S. pay-TV providers, in sharp contrast to the rules for the country's free-to-air TV broadcasters, breaking with Mexican courts' prior rulings and raising questions about USMCA compatibility.

Foreign Ownership Limitations – Mexico currently maintains a 49% foreign equity cap for broadcast networks. By comparison, the U.S. FCC has permitted foreign entities to hold up to 100% of a broadcaster, subject to a case-by-case review.

Local Content Quotas – Regularly, Mexican lawmakers and policymakers propose protectionist policies, such as the imposition of local content quotas in both theatrical and streaming/over-the-top (OTT) windows, as well as limits to the number of screens on which a given movie can be exhibited. If adopted, such measures would severely limit the exhibition of U.S. films in Mexico and would potentially contravene Mexico's USMCA commitments.

Changes to Telecom Regulatory Landscape – The Government of Mexico has replaced its Federal Telecommunications Institute (IFT) with a new Digital Transformation Agency, a ministry led by an appointee chosen directly by the President. This new agency and Presidential appointee lacks independence and has the unilateral power to publish rules for the telecommunications industry, including digital platforms, where previously the IFT operated under a plenary of eleven independent commissioners. Mexican policymakers should take care to preserve freedom of creativity and expression, avoid unnecessary burdens to the operation and development of digital platforms providing creative content, and uphold the spirit and letter of USMCA.

Judicial Reform – In 2024, the Mexican Congress enacted a structural reform to the judiciary branch. The key element of this reform is the election by popular vote of Justices, Magistrates, and Judges. The reform has generated significant debate in Mexico, especially since it is not clear that the new model will guarantee the independence and impartiality of the judicial branch. MPA urges that this reform does not undermine the rule of law in Mexico and does not affect basic rights of due process and access to justice in Mexico.

INTELLECTUAL PROPERTY PROTECTION

Internet Piracy – Online piracy is a serious, widespread problem in Mexico. Illegal streaming devices (ISDs) and apps are increasingly present in Mexico's electronic-hardware gray markets, denoting increased preference for this type of illegal consumption. While there are some local infringing websites, many of the infringing sites and services routinely accessed by Mexican users are hosted outside of Mexico. Overall, the use of increasingly sophisticated streaming piracy sites, ISDs, and Internet Protocol Television subscription streaming services is ubiquitous. According to MPA data from 2023, the second most visited video-on-demand website for Mexican consumers was an illegal content site. Mexican authorities lack a comprehensive strategy for preventing digital piracy.

Enforcement

The enforcement problems in Mexico are procedural and structural, exacerbated by a lack of resources and focus from authorities, as well as gaps in expertise. The development and adoption of a high-level national anti-piracy plan to target major piracy and counterfeiting operations, coupled with the coordination of federal, state, and municipal activities, would improve Mexico's enforcement landscape.

Legislation

TCE Initiative – Mexico's Federal Law for the Protection of the Cultural Heritage of Indigenous and Afro-Mexican Peoples and Communities entered into force in 2022. The law aims to protect traditional cultural expressions (TCEs) like copyrighted works, to combat cultural appropriation and plagiarism of indigenous designs and expressions. The measure aims to register, classify, and document the TCEs of indigenous communities while also broadening the scope of protection and economic rights for these expressions. The measures also introduced a strict enforcement scheme with criminal penalties. This initiative poses legal uncertainty for a range of creative industries, given the absence of guidelines for the granting of authorization, the lack of clarity as to which communities are associated with a particular expression, and the fact that some expressions could be removed from the public domain.

Mexico's Human Rights Commission, an autonomous government agency, filed a claim of unconstitutionality against the law, citing policymakers' lack of consultation with indigenous communities during the law's formulation, and the excessive nature of the penalties. The case is pending review at the Supreme Court.

In 2024, the Senate approved the presidential constitutional amendment to Article 2 on Indigenous Communities, which establishes TCE protection as a right of these communities and expressly establishes that indigenous people hold collective copyright over their TCEs. A significant risk of these regulations is that officials might use them to censor and limit the freedom of speech of creatives and the media, which has already happened at the local level. This constitutional reform, coupled with the 2022 Law, increases legal uncertainty in Mexico regarding audiovisual investments. The U.S. Government should encourage Mexican authorities to implement these reforms with transparency, legal clarity, and in alignment with Mexico's USMCA commitments.

Legislation to Implement USMCA Reforms – Mexico has passed legislation to implement many of its USMCA obligations. Helpfully, among a myriad of benefits, these reforms are poised to improve the defense of technological protection measures (TPMs), enable a notice-and-takedown system for the removal of infringing works online, provide higher administrative sanctions for copyright infringement, enable prosecution of camcording without proof of profit motive, and enhance the Mexican Institute of Industrial Property's online enforcement capabilities. Although these developments are positive, the growth of the legal digital marketplace in Mexico has been hindered by the absence of regulations to implement USMCA reforms in accordance with the Mexican Copyright Act. Further amendments are also needed to the Copyright Law or Civil Code to cover cable systems, as well as to provide civil remedies for satellite and signal piracy. MPA looks forward to working with the U.S. government to ensure that the agreement is fully and effectively implemented.

In response to the 2020 reforms, Mexico's National Human Rights Commission filed a case in the Mexican Supreme Court seeking to void the copyright gains as unconstitutional, particularly the provisions regarding criminal sanctions for circumventing TPMs and the provisions on notice and takedown. The Supreme Court ruled in 2024 to uphold the reforms as constitutional.