

MPA COMMENTS REGARDING THE 2027 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, the United Kingdom, and Vietnam

OCTOBER 2026



MOTION PICTURE ASSOCIATION



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October 2026

Filed via www.regulations.gov

Mark DiPlacido
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 2027 National Trade Estimate Report (Docket: USTR-2026-0498)

Dear Mr. DiPlacido:

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, the United Kingdom, and Vietnam.

The American motion picture, television, and streaming industry is a major U.S. employer that supported 2.01 million jobs across all 50 states and US\$202 billion in total wages in 2024. Nearly 320,000 jobs were in the core business of producing, marketing, and manufacturing motion pictures and television shows. Another nearly 468,000 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 162,000 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 2024, the enduring value and global appeal of U.S. entertainment earned US\$16.4 billion in audiovisual (AV) exports, and our trade surplus was US\$9 billion, or three percent 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.

Such restrictions have migrated into the online space, threatening the vitality of the fast-growing streaming service business. 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.

Investment obligations, levies, and related content requirements have evolved into a rapidly proliferating global policy tool. Measures originally framed as support for local AV production are increasingly being repurposed to address broader fiscal objectives, including the replacement of public funding shortfalls, often in a manner that disproportionately targets foreign digital service suppliers. While the design of these regimes varies across jurisdictions, the direction of travel is clear: an expanding number of markets are adopting more prescriptive and cumulative obligations that function as de facto barriers to trade in digitally enabled services. These measures raise serious concerns regarding national treatment, regulatory proportionality, legal certainty, and market access, and risk fragmenting the global digital ecosystem in ways that undermine open, reciprocal trade and established rule-of-law principles.

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.



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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, MPA has seen 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, and Walt Disney Studios Motion Pictures.

For further information about this report, contact Charlie Schonberger, Senior Manager of Federal Affairs and Trade Policy, 1600 Eye Street, NW, Washington, DC 20006. This document is protected by copyright. It may, however, be reproduced or quoted with appropriate credit.

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AFRICA



MOTION PICTURE ASSOCIATION

AFRICA

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. Consumers are drawn to cheap pirated copies given their limited purchasing power, exacerbated by 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. In Nigeria, a pirate broadcaster transmits channels using infrastructure in Belarus. 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, which enable the range of online digital services and help guard against piracy. Tunisia and Uganda joined the WIPO treaties in 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's new Copyright Act was signed into law in 2023. While it somewhat improved online enforcement by granting the Nigerian Copyright Commission (NCC) a direct power to block or disable access to infringing content (s.61), in practice, the implementing mechanisms are still being developed. MPA welcomes the agreement of an action plan to combat online piracy following the NCC meeting in September 2026 which could lead to a workable, fast, and dynamic site-blocking system. The action plan should be followed up with a pilot for fast and dynamic administrative site blocking. This will help support Nigeria's creative industries in a critical time when they are under attack from unchecked online and satellite piracy.

The AfCFTA Annex on Copyright and Related Rights was reportedly adopted by the African Union Assembly in February 2026. This will be an operational, binding legal instrument. Unfortunately, no official consultations with creative stakeholders were carried out, despite requests from several national and international rights holders' organizations and several problems

AFRICA (CONT.)

remain unaddressed. These include 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

Enforcement

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 rights holders' rights, which require swift and dynamic action.

Momentum in Kenya toward an administrative site-blocking solution has grown. In April 2026, the government invited rights holders to participate in a "pilot" site-blocking effort stemming from a national multi-stakeholder forum on digital piracy. Since then, the President publicly called for the piracy problem to be addressed, and a subsequent government-led effort targeted over 80 infringing websites for closure. This work culminated with the government's public release on July 21, 2026, of the Report of the National Steering Committee on Digital Piracy.

The Report includes a set of Recommendations including the ability to obtain an injunction to block sites after due processes are followed, and the ability to apply for an interim injunction in cases where exigencies exist (e.g., live events or newly released content). MPA encourages the steering Committee to implement the recommendations as soon as possible, so that rights holders may begin to address the urgent need for relief against rampant piracy that harms the Kenyan creative marketplace. In addition, the government has signaled it will move forward with a public awareness campaign, a national policy on digital piracy, and efforts to align these recommendations with pending copyright legislation.

Legislation

Kenya signed the WIPO Internet Treaties in 1996. However, it has yet to ratify the treaties, despite indicating its intention to do so.

Mandatory Recordation System – In 2023, Kenya's mandatory recordation system entered into

KENYA (CONT.)

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 March 2026, the Kenya Copyright Board consulted on a new draft bill to amend the Copyright Act. The new draft bill has several problematic provisions, including those on copyrightability requirements, national treatment, exclusive rights, overbroad exceptions and limitations, and undue restrictions on copyright enforcement. Also of concern is a new provision enabling the Government to impose a private copy levy on streaming platforms that could become an additional barrier for the distribution of content. If retained, this provision would raise concerns regarding consistency with Kenya’s international obligations.

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, which would be a downgrade from the current law under which broader injunctive relief is available (and which formed the basis of the test cases to date). To be effective, the bill should ensure that site blocking applies to all copyright piracy, and that relief is swift and dynamic.

SOUTH AFRICA

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 and 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.

Streaming Regulations – 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. In July 2025, DCDT 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 streaming services to fund the production of local content. The DCDT is also proposing that streaming services register with ICASA, effectively subjecting them to the same registration requirements as broadcasters. Unfortunately, the mention of a site-blocking mechanism for the removal of infringing content was deleted. The new draft proposes to establish an ombudsman to handle online disputes, which is in addition to existing regulatory bodies. Finalization of the DWP was expected by March 2026, but it remains unpublished.

ICASA recently launched a market inquiry into the rise of streaming services and their reported disruption of traditional broadcasters’ revenue streams. Based on the findings, which are expected at the end of the 2027 fiscal year, it may issue a discussion document addressing, among other matters, network fees.

Online VAT – South Africa currently levies a 15 percent VAT on electronically supplied audiovisual (AV) content, including access to and downloads of films and other AV content. 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 two percent turnover tax first introduced in the 2023 iteration.

SOUTH AFRICA (CONT.)

However, the latest iteration introduces a proposal for a new registration regime applicable to online content services, with the goal of addressing the perceived fiscal gap in tax contributions by non-domestic players. It remains to be seen whether the final White Paper will retain this registration-based approach or revive a more explicit fiscal mechanism, such as the two percent DST proposed in the 2023 draft.

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.

Rights holders face a related structural gap in civil enforcement due to a lack of statutory damages in civil copyright infringement suits. Litigation is costly and lengthy, and damages are rarely awarded given the burdensome evidentiary requirements, leaving rights holders largely limited to seeking injunctions. Legal costs are also typically only partly recoverable by prevailing plaintiffs, often no more than one-third, further discouraging rights holders from pursuing litigation to enforce their rights.

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, citing concerns over the new copyright exceptions and limitations framework, performers' rights provisions, and retrospective royalty measures.

On June 26, 2026, the Constitutional Court held that the educational and academic exceptions were unconstitutional, finding that they undermined copyright owners' markets and were inconsistent with South Africa's obligations under Article 10(2) of the Berne Convention. However, the Court

SOUTH AFRICA (CONT.)

upheld the remaining challenged exceptions and limitations, including the so-called “fair use” exception, notwithstanding the Court’s acknowledgment that there was an insufficient evidentiary record to properly assess their impact. As a result of the ruling, the Bills have been returned to Parliament for further action. If enacted in their current form, the Bills would continue to raise serious concerns regarding South Africa's compliance with the TRIPS Agreement, the Berne Convention, the WIPO Internet Treaties, and relevant GSP/AGOA intellectual property commitments.

Specific concerns include: (I) legal uncertainty stemming from key royalty, remuneration, and contracting matters being left to future ministerial regulation; (II) disproportionate compliance burdens and penalties on producers and rights holders; (III) broad contract-override provisions restricting freedom of contract and disrupting established licensing practices; (IV) provisions complicating the acquisition and consolidation of rights needed to finance and exploit audiovisual works; (V) a mechanism permitting the State to designate entities to own copyright in State-directed or State-funded works; and (VI) a mandatory 25-year reversion cap on assignments of authors' and performers' rights, which could undermine the long-term value and licensing of content libraries. South Africa's copyright term, which is 50 years after the author's death, also continues to fall short of the international standard.

Cybercrimes Act – The Cybercrimes Act, 2020 (CBA), was signed by the President in 2021, though only certain sections have entered into force. Core cybercrime, jurisdiction, and investigative provisions are operational, while certain reporting, evidence-preservation, and institutional provisions have not yet been brought into force. In addition, 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. While rights holders generally support the Act's objectives of combating cybercrime, online piracy, and unlawful circumvention of technological protection measures, there remains concerns that its broadly drafted investigative powers, expansive definitions, and potentially burdensome compliance obligations could create legal uncertainty and unintended consequences for legitimate digital content and streaming services. 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

SOUTH AFRICA (CONT.)

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



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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, foreign investment limitations, local content investment mandates, levies and burdensome taxes, as well as restrictions on dubbing and advertising. Local screen and content quotas applied to theatrical businesses in China, Indonesia, Malaysia, South Korea, and Vietnam not only limit consumer choice but also contribute to piracy by reducing the licensed content available. 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. The regional risk for streaming services is heavy-handed over-regulation, as increasingly multiple regulatory policies are being imposed on the same professionally curated audiovisual service. The concern arises not only from each measure in isolation, but also from overlapping obligations across services, rights, production and distribution.

Governments should distinguish between professionally produced and curated audiovisual services from other platform services. The former exercises editorial control; generally provides classification, parental controls and grievance mechanisms; and does not permit user-to-user interactions. Professionally produced and curated streaming services should not automatically be subjected to regulatory frameworks designed for other, materially different services.

For decades, governments in the region have imposed local content investment mandates, content quotas, and levies on traditional distribution channels and increasingly have proposed similar restrictions for the streaming market. Australia recently implemented legislation requiring streaming services to invest in local content, which contravenes its bilateral trade obligations to the U.S. Other governments, including South Korea and New Zealand, are considering local content investment obligations. In addition, the Governments of Korea, Taiwan, Indonesia, and Thailand are considering local presence requirements for streaming services. Vietnam already has a requirement in place. Such regulations limit consumer choice, hinder business development, and create significant barriers to market entry in this sector.

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 among licensed operators for traffic exchange, causing some local streamers to pay internet service providers as part of commercial agreements. In addition, bills calling for a network usage fee have been introduced in the National Assembly. This undermines freedom of contract, prejudices the interests of content providers operating in the market, and is inconsistent with Korea's bilateral trade obligations to the U.S. Additionally, Thailand's National

ASIA-PACIFIC (CONT.)

Broadcasting and Telecommunications Commission, Taiwan's National Communications Commission, and select Indian internet service providers have also called for such measures; in more recent years, such calls have become less prevalent, but continue to emerge, and MPA is closely monitoring any proposals which may arise in the region.

Burdensome tax regimes are also present in the region. In India, the Indian Local Body Taxes on theater admissions (which are imposed on top of the Federal Goods and Services Tax) create disparities in ticket prices, limiting the growth of the theatrical industry in these markets. Malaysia also has its own entertainment tax in place.

The censorship regimes in certain Asia-Pacific economies, such as China and Vietnam, 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 barriers exacerbate intellectual property theft, which poses a constant and serious threat to MPA's member companies in the Asia-Pacific region. Pirate online streaming, pirate Internet Protocol Television (IPTV) services, and illegal applications (installed both on phones and other "smart home" devices) have rapidly proliferated in the region. Globally popular "Piracy-as-a-Service" (PaaS) offerings are also originating 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, including databases of infringing content and 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. These services are a key concern of the motion picture industry and a top priority for its anti-piracy efforts.

The proliferation of illicit streaming devices (ISDs) that employ piracy apps is a serious concern in the region. ISDs – either pre-loaded with apps or including apps downloaded as an after-service – offer unauthorized access to dozens of pay-TV channels and streaming services, large volumes of on-demand movies and television series, and/or live streaming events that are made available without authorization. Since consumers pay for the devices and "premium" subscriptions on the apps, consumers think they have purchased content legitimately from pirating operators. Malaysia, Singapore, and Taiwan have helpfully outlawed the manufacture and supply of ISDs and related apps, and in 2026, Taiwan helpfully took enforcement actions against the sale of non-preloaded devices that came with instructional materials on how to install infringing apps and services after purchase. Authorities must continue to actively enforce 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. Rights holders, governments, and other stakeholders in the online ecosystem must collaborate to address this growing regional problem.

ASIA-PACIFIC (CONT.)

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 important 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. Governments should also designate accountable points of contact for criminal investigations and strengthen cross-border cooperation against organized piracy networks, including coordination on evidence, assets, domains, infrastructure and proceeds of crime.

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. According to *The Impact of Online Piracy Website Blocking on Legal Media Consumption*, this remedy has been proven in the region to reduce piracy visits by up to 99 percent to the sites in which access has been disabled. It is also shown to increase legal consumption among heavy pirate users by up to 53 percent. In addition, in recent years, search engines have agreed to remove piracy domains from their search results, which has led to a 25 percent decrease in piracy visitation to sites when compared with site-blocking alone.

With the rise and increasingly widespread use of generative AI technologies, certain markets, notably Japan, Singapore and Vietnam, 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 for both commercial and non-commercial uses, although in Japan this is limited to non-expressive elements, and the government has provided some helpful clarity regarding its position on the lawful access of copyrighted works. Singapore should similarly provide clarifications to restrict the scope of its TDM exception to lawfully accessed works, as well as to remove the prohibition on contracting-out.

The global norm for the term of copyright is 70 years after the death of the last surviving author,

ASIA-PACIFIC (CONT.)

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 such as China, India, Indonesia, Malaysia, the Philippines, Taiwan, Thailand, and Vietnam 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.

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 sharing information to assist civil case preparation.

Some Asia-Pacific countries, most notably South Korea, are considering amendments to copyright law that would legislate unwaivable statutory remuneration rights subject to mandatory collective management, imposing payment obligations on third parties such as streaming services in order to provide additional remuneration beyond negotiated compensation for authors, directors, performers, and screenwriters. Such proposals would create considerable uncertainty around individual market compensation practices, including contracts 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 that undermine freedom of contract in proposed revisions of copyright laws.

Illicit theatrical camcording remains problematic in China, India, Malaysia and Thailand. 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 rights holders 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, benefiting 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 U.S. companies continue to be able to enjoy a fair and level playing field. MPA strongly supports the

ASIA-PACIFIC (CONT.)

negotiation of trade agreements that improve the protection and enforcement of copyright, augment market access, and foster a healthy online marketplace for copyright materials.

The Agreements on Reciprocal Trade, as well as the frameworks for these agreements, have provided additional opportunities to address market access barriers and improve intellectual property regimes across the region. MPA is supportive of such frameworks, which improve market access and promote a more open environment for digital services, thereby creating greater certainty for investment and cross-border distribution of creative content.

AUSTRALIA

MARKET ACCESS ISSUES

Streaming Financial Obligation – In January 2026, the Albanese Government enacted legislation requiring major streaming services with at least one million subscribers to invest either 10 percent of their total program expenditure in Australia, or 7.5 percent of their Australian revenue, into qualifying Australian content, i.e., on new local drama, children's, documentary, arts and/or educational programs. This mandate directly conflicts with Australia's obligations under AUSFTA and was enacted despite data consistently showing that Australian content is readily available and not being unreasonably denied to Australians. MPA opposes such mandates, which can have unintended consequences on the local audiovisual ecosystem. MPA further cautions against introducing any supplemental policies, particularly via the next National Cultural Policy, such as reversion of intellectual property rights and/or other heavy-handed government interference into contracts. It is inappropriate to impose further regulations, particularly when the impact of existing obligations is not yet fully understood.

Digital Duty of Care – In October 2026, the Albanese Government introduced the Online Safety Amendment Bill 2026 (Digital Duty of Care). The Bill places an obligation on online service providers to conduct regular written assessments of the risk of harm posed by their service in Australia and take effective measures to mitigate or minimize those risks identified. All online services are required to make sure their services are safe to use by design, covering both the content they make available and the design features that these services use. While entertainment content has been carved out from the Bill (specifically, all content already compliant with the Classifications Act), the current drafting of the Bill introduces operational complexities around design features such as recommender systems, and potential issues with age assurance requirements.

INTELLECTUAL PROPERTY PROTECTION

Legislation

Copyright & AI – In October 2025, the Australian government committed not to introduce a text-and-data-mining exception into its copyright law. However, since then, the government has continued consultation over potential new copyright limitations, a statutory license regime, or an extended collective licensing model. All such approaches could permit the use of copyright-protected works for AI training without express permission, in exchange for de minimis compensation administered through a collective management organization or similar body. This would be incompatible with free market principles and restrict the rights of rights holders. MPA cautions against rushed changes to Australia's copyright framework, which is already well-equipped to accommodate new technologies such as generative AI through the robust growth of voluntary licensing markets for AI training use cases.

CHINA

MARKET ACCESS ISSUES

Import Quotas/Revenue Share – Despite China’s commitment under the 2012 U.S.-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. In 2026, China has more strictly applied the quota with respect to limited and re-release titles. Additionally, China has not fulfilled its obligation to meaningfully increase the U.S. compensation for revenue-sharing theatrical releases. To date, the U.S. share of box office revenue remains at 25 percent, which is well below comparable markets and the international standard. Moreover, in practice, distributors are deducting ticket service fees before calculating the U.S. studio share, resulting in an actual allocation of less than 25 percent of the gross box office revenue specified in the MOU. To date, no new MOU has yet been concluded. MPA urges the Chinese government to fully implement the terms of the Film MOU, including ensuring that U.S. producers receive the full revenue share as a percentage of gross box office without deductions for ticketing service fees or other similar fees/expenses, and to meaningfully increase the revenue-sharing terms beyond 25 percent.

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, the China Film Group (CFG), and two distributors, CFG and HuaXia Film Distribution Company Ltd. Although the 2012 U.S.-China 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 U.S. 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 may still impose “blackouts” during which no new foreign films may be released (such as during holiday periods or coinciding with major political events). Such restrictions diminish theatrical revenues and drive consumers to piracy websites for foreign titles. Foreign producers, including those in the U.S., should be allowed to choose their release dates.

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 percent or more of a cinema’s total yearly gross box office comes from Chinese films, the cinema is eligible for a 50 percent 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 – China maintains a myriad set of policies that significantly curtail the number of U.S. film and television programs licensed in China for online distribution

CHINA (CONT.)

and inhibit the ability of the film, television, and streaming industry to compete in the Chinese market. China caps the overall online distribution of foreign films and TV dramas at 30 percent and requires online distributors to register content and submit it for review. This results in extended delays and uncertainty. Opaque sub-quotas and approval rules (by country and by genre) within that 30 percent further exacerbate industry uncertainty and contribute to an uneven playing field. Moreover, U.S. producers are generally only able to submit partial or full seasons of television series following their domestic run. This is because foreign titles must have already premiered in the home country, and they must have a rating score above six out of ten on online platforms, like Douban or IMDb, before submission. In practice, these policies have resulted in foreign content accounting for significantly less than the permitted 30 percent cap. These restrictions on U.S. content in China create a demand vacuum that is ultimately filled by pirated content. China should consider industry proposals submitted to the NRTA in early 2025 (including improvements to submission processing and departmental coordination, partial season submission, direct-to-streaming content submission, combined linear/streaming transaction submission, duplicate reviews and uncertain timelines) that would make modest but meaningful improvements to the operation of the online video marketplace, supporting the growth and availability of legitimately licensed content.

Censorship – The China Film Administration CFA and National Radio and Television Administration (NRTA), their provincial branches, and China Central Television perform various censorship functions related to film, television, and streaming content. Meanwhile, piracy websites and services freely and easily move unauthorized content into the market with no censorship concerns or delays providing illegal sources with an ample period of “exclusivity.” 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.

Since 2019, the NRTA has also required administrative licensing for domestic online audiovisual (AV) works, essentially applying the same censorship rules and standards for offline (theatrical) and online (streaming) content. Imported films with public screening permits are also required to be resubmitted for online distribution approval, which creates a secondary, duplicative content review resulting in further delays. This reflects the further tightening of government oversight of online AV works and a push for higher censorship standards for China’s online content industry.

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 streaming business model. A transparent, predictable, and expeditious content review process would reduce barriers to entry and attract investment.

Anti-Espionage Law – In 2023, the revised Anti-Espionage Law, initially introduced in 2014, came into effect. The revisions significantly broaden the scope of what constitutes “espionage”

CHINA (CONT.)

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. For example, Chinese companies may now be unwilling to share financial or business-related information with foreign companies due to concerns they may inadvertently violate rules that are not clearly defined.

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 U.S. content creators and distributors' participation in the market.

Local Film Duplication Requirement – China mandates that digital film copies (digital cinema packages) be replicated in local laboratories, hindering U.S. rights holders' ability to control quality and to trace the sources of camcording piracy.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Criminal enforcement efforts have seen some improvement. Notably, several cases referred by MPA during the 2025 NCAC Annual Campaign have been referred for criminal procedure. While there have been some exceptions for local rights holders, damages in most cases are 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, more consistent treatment, and coordination of high-priority cases across agencies and provinces. MPA welcomes the 2026 campaign's focus on working with intermediaries on the copyright protection of creative and cultural works. In addition, MPA calls for the government to expand its "special protection" list not only to new theatrical titles but also to licensed streaming content, even when the entire series cannot be submitted at once for approval. This would significantly aid copyright owners in protecting their works in China.

CHINA (CONT.)

Internet Piracy – The illegal downloading and streaming of films from MPA member companies remains a serious concern in China which is only exacerbated by the lack of adequate market access, leaving demand for new content to be filled by piracy offerings. The National Copyright Administration of China (NCAC) has initiated special enforcement campaigns every year since 2005, some of which have led to meaningful criminal actions. However, there has yet to be a significant reduction in most commercial-scale online piracy across all categories of content, and administrative penalties remain low. Meanwhile, 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. Compared with similarly situated peers in other markets, some Chinese platforms exhibit slower enforcement timeframes, less urgent detection of copyright content, and continued dependence on outdated standards and weaker mechanisms for deterring repeat offenders. Challenges in addressing unauthorized content on social media and e-commerce platforms are further exacerbated by local intermediaries' insistence on unnecessary and overly burdensome procedural and documentary requirements. Such requirements, coupled with the significant number of listings and slow processing of complaints, create practical difficulties for rights holders in removing such unauthorized listings.

ISDs, IPTV Services, and Apps – China is a leading source for the manufacturing, as well as for the trafficking and/or 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 local enforcement. Meanwhile, rights holders find it difficult to enforce against violations through the Chinese courts because of uncertainties surrounding the legal liabilities for such cases, even when malware is detected on such devices. 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.

Legislation

Strengthening the Protection of Intellectual Property Rights – The 2021 Copyright Law amendments increased maximum statutory damages and created stronger presumptions against infringement defendants. In August 2026, China launched a legislative process to implement other critical elements of the 2021 Law, including extending the term of protection to match the international standard of at least 70 years and amending the scope of the making available right. Recent judicial interpretations have helpfully provided clearer guidance to courts and litigants on when and how punitive damages should be applied in IP disputes, with the purpose of raising litigation risks for bad faith infringers and enhancing deterrence. And, in April 2025, the Supreme People's Court and the Supreme People's Procuratorate eliminated the distinction between intellectual property crimes committed by entities and individuals, lowered the criminal threshold for intellectual property infringement, and introduced heavier punishments, among other improvements. China should criminalize internet offenses that may lack a demonstrable profit motive but damage rights holders 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 of a television/streaming series is counted as one title.

CHINA (CONT.)

The government should also make the act of illegal camcording in cinemas subject to civil, administrative, and criminal remedies.

E-Commerce Law – In July 2026, the State Administration for Market Regulation (SAMR) and the Ministry of Commerce jointly released draft E-Commerce Law Amendments for public comments. These amendments significantly tighten the regulatory environment for e-commerce platforms in China, introducing heavier fines, broader enforcement powers, clearer liability rules, and promoting international cooperation. They also emphasize fairness for smaller operators, workers, and consumers, while promoting innovation and international alignment in rules and standards. MPA encourages the government to introduce further amendments empowering rights holders to act against the illegal trafficking of pirated content and circumvention devices on e-commerce platforms. The notice-and-takedown rules proposed in the SAMR's 2021 draft amendment were also not reflected in the 2026 draft. MPA recommends SAMR revisit the notice-and-takedown rules from the 2021 Draft and show stronger intellectual property protection in the new Amendment.

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HONG KONG

MARKET ACCESS ISSUES

Censorship – In 2021, Hong Kong enacted amendments to the Film Censorship Ordinance (Cap. 392). The revised guidelines include censorship of films based on “national security grounds” under the HKSAR National Security Law. Uncertainty regarding interpretation of the revised guidelines continues to be 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, more consistent and proactive enforcement action is necessary. Moreover, prosecutors should seek custodial sentences to ensure that enforcement actions result in deterrent outcomes against pirate distributors and operators. MPA urges the HKSAR Government to continue its efforts to strengthen copyright protection.

MARKET ACCESS ISSUES

VOD Content Regulation – Since 2021, the Indian government has enabled industry self-regulation for video-on-demand (VOD) through its IT Act and Rules. The system has proven to be both effective and proportionate in addressing concerns across the online content ecosystem. There continue to be occasional calls for greater content regulation from some parts of the government, which should be rejected. MPA cautions against unnecessary legislative or regulatory interventions that could limit consumer choice or access to India's burgeoning curated content industry.

Telecommunications Rules – In June 2026, the Ministry of Information and Broadcasting opened a consultation on draft rules under the Telecommunications Act 2023 covering television, radio and associated services. India should expressly exclude open-internet VOD services carrying curated content from telecommunications authorization and penalty frameworks designed for licensed carriage services, preserve the distinction between content regulation and network authorization, and ensure proportionate treatment of IPTV and application-layer services.

Accessibility Requirements – India is actively considering accessibility guidelines for both VOD content and content released theatrically. In February 2026, India issued accessibility guidelines for online curated content/VOD. MPA supports the objectives of these VOD guidelines and urges the government to preserve the 36-month implementation period, flexible treatment of existing and licensed content, and coordination across overlapping regulatory frameworks. For theatrical content, India issued theatrical accessibility standards in March 2024 and sought feedback in 2026 on potentially requiring Indian Sign Language interpretation. MPA supports accessibility but urges technologically neutral implementation, reasonable transition periods, and consultation before imposing additional requirements.

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. The Ministry of Corporate Affairs (MCA) continues to consider the proposal; in July 2026, MCA asked MDI, a management research institute, to conduct a survey on the need for ex-ante regulation of the digital economy. No competition concerns have been identified in India's streaming sector, and MPA urges that any new framework avoids the overbroad or erroneous inclusion of sectors, including streaming, that already exhibit strong competition and consumer choice.

Network Usage Fees – Internet service providers (ISPs) in India continue to publicly call for content providers to pay them a network usage fee. The 2023 Telecommunications Act does not expressly include content providers (e.g., VOD services) 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

INDIA (CONT.)

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.

Entertainment Taxes – In 2017, India introduced a national Goods and Services Tax (GST). Cinema tickets are currently subject to GST at 12 percent or 18 percent, depending on ticket price. Local body entertainment taxes, however, remain outside the GST framework, allowing municipalities to impose additional levies on top of GST. Karnataka introduced a two percent Cine and Cultural Activists Welfare Cess (i.e., entertainment tax) on cinema tickets. The cess came into force on September 30, 2026, but is being challenged before the Karnataka High Court. In Mumbai, the Brihanmumbai Municipal Corporation (BMC) currently levies a theater tax based on conditions in the theater (air-conditioned versus non-air-conditioned). In September 2026, BMC proposed substantially increasing these rates, but that proposal remains subject to local approval. MPA continues to urge state and local authorities to refrain from imposing additional levies on cinema exhibition, which is already subject to GST. A proliferation of state and local taxes increases costs for consumers and risks undermining the simplified and more uniform indirect-tax framework that the GST was intended to create.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Camcording Piracy – Unauthorized theatrical camcording of films is an ongoing challenge for rights holders in India, and criminal referrals against suspects have unfortunately not resulted in meaningful steps to deter such activities.

Internet Piracy – Site-blocking efforts and global domain suspensions are having a significant positive impact on internet piracy in India. It can be said that India's courts (in particular, the Delhi High Court) has spurred innovation in expanding remedies beyond "notice & takedown" to include domain name registrars and "know your customer" obligations, so much so that other countries are beginning to adopt similar approaches. This said, some of the world's most egregious "Piracy-as-a-service," cyberlockers, streaming, and torrent sites operate from within India. In addition, site-blocking actions in India have the benefit of leading to a significant increase in legitimate consumption of audiovisual materials among heavy pirate users.

Aside from the site-blocking remedies in place and codified in precedent through the Delhi High Court, India remains one of the most challenging markets for protecting and enforcing intellectual property rights, due in part to the relative lack of engagement until recently by centralized and nationally coordinated enforcement departments. Despite the government's designation of the Indian Cybercrime Coordination Centre (I4C) as the centralized nodal agency for receiving digital piracy cases in 2024, intellectual property crimes continue to receive insufficient priority, and to date, no action has been taken on criminal referrals to the I4C.

INDIA (CONT.)

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 and have produced limited visible enforcement outcomes in recent years. MIPCU's first enforcement action in 2021 against a pirate service remains the Unit's only known significant criminal enforcement action.

The seminal 2019 Delhi High Court decision in the *UTV v 1337x et Ors* litigation 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. And the Court has extended its jurisprudence through orders addressing pirate Internet Protocol Television services, live sports piracy streaming sites, apps, and cyberlockers.

In 2025 and 2026, the Delhi High Court issued new groundbreaking decisions to protect the release windows for new movies and shows, effectively blocking sites making available or even just promoting the availability of pirate versions of the movies and shows. These decisions further bolster the ability of rights holders to protect their theatrical and streaming windows for new content. In a further positive development, other countries' regulators and courts are now looking to India as a strong model, with Italy and Belgium being the latest examples of this.

On piracy cases, and especially criminal cases, Indian courts would benefit from 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 delaying 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. With more than 40 million criminal cases pending in the India court system, and around 11 million more civil cases pending, preliminary injunctions in copyright cases would be immensely helpful to obtain immediate relief while cases wind their way through the procedural path toward judgment.

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. The committee's Working Paper 1 excluded text-and-data-mining but proposed a statutory licensing model and the creation of a Copyright Royalties Collective for AI training. These proposals raised significant concerns among both the creative sector and major technology companies, as they would take away rights holders' exclusive right to authorize use of their works, undermine the market for voluntary direct licensing, legitimize past infringement, and raise serious concerns about India's compliance with international copyright treaties. Following stakeholder feedback, there has been

INDIA (CONT.)

no further movement on these proposals, and MPA understands they are not currently being actively considered. The committee's Working Paper 2 was expected to be tabled in mid-2026 but remains in abeyance. 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 (TPMs). The DPIIT convened a stakeholder meeting in July 2026 to discuss eight proposed amendments to the Copyright Act, including around TPMs. The MPA recommends these provisions be strengthened in addition to criminal provisions to harmonize with the provisions under the Cinematograph (Amendment) Act, 2023.

Standard Essential Patents – The principal concern in India is the court's willingness to issue speedy and very broad injunctive relief, which can often blindside users of essential patents. A transparent framework to ensure FRAND licenses will be essential, and the government should ensure that SEP holders with market power make licenses available on FRAND terms and that disputes over royalty levels are resolved efficiently.

INDONESIA

MARKET ACCESS ISSUES

Film Law – Indonesia’s regulation of the theatrical industry, via the 2009 Film Law, includes a 60 percent local screen quota, dubbing restrictions, and a 50 percent limitation on screen time by a single distributor, importer, or producer. Only the dubbing restrictions have been enforced to-date. Since June 2026, there have also been suggestions that the Ministry of Culture is considering amending the existing Film Law to introduce additional worrying proposals, including a levy on cinema tickets and a statutory holdback period for theatrical releases. Such proposals would impose additional burdens on the theatrical industry and exacerbate the negative effects of the restrictions already contained in the current Film Law.

Broadcasting Law Amendments – In September 2026, the House of Representatives (DPR) approved a revision of the 2002 Broadcasting Law that would expand the broadcasting regulatory framework to cover digital services (including user-generated content and VOD services). Specifically, the draft from the DPR introduces an unworkable 25 percent local content quota for OCC/OTT platforms, restrictions on freedom of expression, a local registration requirement, increased AI oversight, and broad oversight and access requirements on platform content for “law enforcement and national security.” A local content quota for streamers and a burdensome mandatory registration rule would be inconsistent with the U.S.-Indonesia Agreement on Reciprocal Trade (ART). The amendments to the Broadcasting Law have also introduced new requirements on AI oversight and government oversight and access may also raise concerns under the U.S.-Indonesia ART. Following preliminary parliamentary approval, the bill has been submitted to the government for further deliberation.

Electronic System Operator Regulations – Ministerial Regulation 5 (MR5), which implements Government Regulation 71, came into effect in 2020 and requires domestic and foreign streaming 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 the Ministry of Communication and Digital Affairs [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 are out of step with international best practices for regulating curated content services such as VOD services.

Additionally, Komdigi in March 2026 finalized Government Regulation 17, which mandates that digital platforms operating in Indonesia must submit a self-assessment of their current child-safety policies and imposes obligations on platforms found to be high-risk (including age verification, parental controls, and reporting mechanisms). There is a lack of transparency and predictability in this government-mandated risk evaluation. Specifically, Indonesia should clarify that, unlike social media platforms, professionally curated VOD services with age verification and parental controls should be designated low-risk. If implemented too broadly, the regulation could create uncertainty and impose unnecessary and burdensome compliance costs on professionally curated VOD platforms in Indonesia.

INDONESIA (CONT.)

Electronic-System Trading Restrictions – The Ministry of Trade released Ministerial Regulation 19 in June 2026 (MR19/2026). While ostensibly targeted at regulating e-commerce services, it has been implemented in an overly broad way that unintentionally brings streaming services into scope. The provisions include broad Ministerial powers for information requests, including potentially confidential information, AI-labelling provisions, prioritization of domestic products, and advertising liability. MR19 should be further clarified to exclude streaming services from scope.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Online piracy remains a serious concern in Indonesia. Indonesia's stated goal to become a regional hub for the creative industries is hampered by its failure to take criminal actions against the well-known and well-established online piracy syndicates based in the country. Presently, criminal referrals remain bogged down by onerous and unnecessary procedural and evidential requests, and the criminal process remains slow and inefficient. Further, Indonesia continues to lack sustained criminal enforcement actions and deterrent penalties against the major commercial-scale piracy syndicates operating within its borders. Indonesia should increase the capacity of its enforcement officials to understand copyright issues and investigate digital forensic evidence.

While MPA commends Indonesia's ongoing efforts to block piracy domains, and particularly Indonesia's recent improvements in the process and speed of obtaining blocking orders, dismantling the most virulent piracy services will require criminal enforcement against the local pirate syndicates. While blocking efforts are sustained and continue to target the right domains, pirate operators in Indonesia (as well as worldwide) use various means to circumvent the efficacy of blocking orders, such as domain (and sub-domain) hopping, copycat domains, and multi-step redirection schemes. Recently, the Government promulgated a new rule to charge for site blocking, but the Government may also be considering revisiting or not implementing the fee. If implemented, such a rule could raise questions as to Indonesia's international obligations to ensure enforcement is not overly costly.

Legislation

Copyright Law Revisions – The government is working on a significant revision of the 2014 Copyright Law. Stakeholder engagement and opportunities for discussion have been relatively limited. MPA has serious concerns that the proposed overhaul of Indonesia's Copyright Law will weaken copyright protection, create legal uncertainty, and impose burdensome new obligations on rights holders and digital services. Key concerns with the draft amendment bill include introduction of a broad copyright exception/fair use provision for AI training that could undermine emerging voluntary licensing markets and may be inconsistent with Indonesia's international treaty

INDONESIA (CONT.)

obligations; inclusion of AI, portrait rights, publicity rights, deepfakes, and "style imitation" rules within the Copyright Law, creating regulatory overlap and uncertainty; expansive Traditional Cultural Expression provisions requiring state permission for commercial uses and imposing impractical compliance obligations on digital platforms; extension of collective management and royalty collection mechanisms beyond music and into the audiovisual sector, undermining the producer-led direct licensing model used for film and television content; and, removal of criminal sanctions for infringement of economic rights which would significantly weaken deterrence against piracy. MPA has urged the government to conduct a transparent public consultation process, maintain strong enforcement provisions, reject overly broad AI training exceptions, exclude audiovisual works from collective licensing schemes, and ensure that any reforms remain consistent with international copyright norms and Indonesia's treaty obligations.

Enforcement Fees – In July 2026, the government promulgated a fee for site blocking under PP30/2026, among other enforcement fees. Such a fee would stymie enforcement efforts, conflict with international obligations and best practices, and punish the victims of theft. MPA is aware the Government is actively considering revisiting or revoking the fee.

MARKET ACCESS ISSUES

Universal Viewing Rights – Japan's Sports Agency (under the Minister of Education, Culture, Sports, Science and Technology) is convening a study group (“Study Group on Ensuring Opportunities to Watch Sports and Sports Broadcasting”) to examine whether policy intervention is needed to guarantee broad public access to sports broadcasts. The government should refrain from unnecessary regulatory intervention in this space, focusing instead on maintaining competition in this market to ensure continued investment in innovation, an improved consumer experience, and widened options for rights-holders.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Online piracy remains a concern for Japan, with the latest Photonic Systems Solutions survey indicating there are now 430 million monthly piracy visits in Japan, including 130 million piracy visits per month in the audiovisual sector alone. These statistics are consistent with the Content Overseas Distribution Association finding that losses from digital content piracy in 2025 amounted to 5.7 trillion yen, an increase of three times since 2022. Video content, including anime and movies, accounted for around 40 percent of the sum. The Japan Ministry of Economy, Trade, and Industry’s (METI) “Entertainment & Creative Industry Strategy 2026” recognizes the scope and challenge of online piracy (as well as other intellectual property theft, indicating that “aggressively target piracy through site blocking, takedowns, litigation, law enforcement cooperation, and rights protection measures” will be key to reaching the goal of ¥20 trillion in overseas sales by 2036. Japan has not yet to enact site blocking as a remedy domestically, but Japanese rights holders have participated (with MPA) in blocking sites targeting Japanese content in overseas markets, Japan’s industry is collaborating with foreign rights holders to protect their rights, and Japan’s Ministry of Internal Affairs and Communications is considering site blocking to address illegal online gambling sites.

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 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 rights holder 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.” Japan should ensure that any

JAPAN (CONT.)

extension of rights to online transmission should preserve voluntary licensing.

Standard Essential Patents – Recent Japanese litigation involving standard essential patents and smartphone sales have renewed concern about the availability of broad injunctive relief and the predictability of fair, reasonable and non-discriminatory (FRAND) licensing. Policymakers should maintain a transparent framework under which willing licensees can obtain licenses on FRAND terms and royalty disputes can be resolved efficiently and predictably without disproportionate injunctions.

MALAYSIA

MARKET ACCESS ISSUES

Broadcast Quotas – MPA welcomes Malaysia's commitment under its reciprocal trade agreement with the United States to remove terrestrial airtime restrictions on U.S. programming (80 percent to local Malaysian programming) and urges prompt implementation.

Cinema Entertainment Tax – The entertainment tax for theater admissions imposed at the state government level (25 percent 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 – 2025 amendments to the Communications and Multimedia Act introduce expanded powers for the Malaysian Communications and Multimedia Commission (MCMC) to take enforcement actions against Content Applications Service Provider licensees, including suspension and auditing. MPA is concerned that the MCMC may seek to extend this framework to streaming services, which would not be necessary given the Content Forum's self-regulatory Content Code, a voluntary industry self-regulatory code for digital services, including streaming services. MPA participated in drafting an updated set of Guidelines for online curated content Services, which was finalized in August 2026.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Online piracy and the use of illicit streaming devices (ISDs) and apps remain problematic in Malaysia. Despite the positive outcomes from the government's site-blocking efforts, streaming devices preloaded with infringing apps that enable subscription access to a wide array of live channels and video-on-demand content are readily available via online and physical marketplaces.

Rights holders have successfully obtained administrative orders directing internet service providers to block access to thousands of pirate domains. MPA welcomes the government's efforts to properly address sub-domain blocking and redirection concerns of rights holders. In 2022, new anti-ISD amendments to the Copyright Act came into force. MPA urges the government to make concerted efforts against the operators and distributors of such ISDs and apps.

MALASIA (CONT.)

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.

Copyright & AI – MPA is concerned with the Malaysian Intellectual Property Office (MyIPO)'s plans to amend the Copyright Act of 1987. MyIPO is consulting with stakeholders on high-level principles. Areas under discussion include text-and-data-mining exceptions for AI training, greater government involvement in collective rights management, orphan works management, service provider/intermediary accountability, and strengthening copyright enforcement (including site-blocking). Malaysia's copyright framework 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. Any collective management framework must remain voluntary, transparent, and rights holder-led, while preserving existing market-based licensing arrangements. Malaysia should also ensure that any reform of the Copyright Act serves to strengthen online copyright enforcement and improve the effectiveness of its dynamic site-blocking regime, consistent with international copyright norms and treaty obligations.

NEW ZEALAND

MARKET ACCESS ISSUES

Streaming Local Content Obligations – In February 2025, the Ministry for Culture and Heritage (MCH) released a discussion document - 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 as a condition for participating in the market. MCH released a summary of the submissions received in that consultation process in June 2025. In August 2026, both the National Party (the senior partner in the ruling coalition) and the opposition Labour Party (which had originally campaigned on a streaming levy) publicly ruled out the implementation of any streaming levy, ahead of New Zealand’s next general election in November. However, the government has implemented voluntary reporting by VOD services about their production expenditure on New Zealand content, raising concerns that the reporting framework could serve as a precursor to future regulatory intervention. USTR should continue to monitor this issue.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

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 percent in 2021 to 47 percent 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. This includes measures that have shown long-term positive impacts elsewhere, such as adding a remedy to disable access in New Zealand, on a no-fault basis, to sites and services which have the primary purpose or primary effect of infringing or facilitating the infringement of copyright, and to address illegal Internet Protocol Television piracy.

Legislation

Copyright Act Amendments – The Government announced its plan to move forward with changes to its Copyright Legislation following the general election in November 2026. MPA recommends any MBIE-proposed reforms to strengthen enforcement avenues for rights holders while not undermining copyright (e.g., through overly broad exceptions) or limiting contractual freedoms.

THE PHILIPPINES

MARKET ACCESS ISSUES

Regulation on Streaming Services – The Philippine Congress has proposed legislation that would expand the remit of the Movie and Television Review and Classification Board, which currently regulates theatrical and broadcast TV, to also cover streaming services. These bills were first introduced in the 19th Congress and have been reintroduced in the current 20th session (2025-2028). Such a proposed expansion would impose onerous censorship and classification requirements on streaming services, limit consumer choice, stifle business development, and add further burdensome barriers to market entry.

Batang Ligas Act – In October 2026, Congress ratified the Batang Ligas Act, which introduces new obligations on digital platforms operating in the Philippines around online child safety (including the designation of a local legal representative, age verification, and proactive blocking of certain material related to child sexual abuse and exploitation online). While MPA supports the policy intent, the Act is broad and unnecessarily brings curated video streaming platforms into scope despite these platforms already offering robust child protection features at both the service and content level. There is a lack of transparency around how it will work in practice, and whether all services will need to comply with these provisions (regardless of risk profile). If implemented in an overly broad way, this could add unnecessary and burdensome compliance costs for streaming platforms in the Philippines; the Government should avoid imposing disproportionate obligations on low-risk services.

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 percent 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 landscape, which has transformed traditional definitions and structures within the “mass media” industries. These restrictions should be removed to enhance business development prospects.

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.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – The Philippine government has recognized that online piracy is a major threat to

THE PHILIPPINES (CONT.)

both the local and international AV industries and has made noticeable efforts to implement a more robust intellectual property enforcement regime.

A voluntary site-blocking MOU framework was rolled out in 2023, but lawmakers and rights holders recognize this system has not been fully effective. Issues faced by rights holders include multiple clarificatory hearings, 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. Additionally, even when blocking orders are passed, some sites remain accessible due to the lack of full ISP participation

Further, piracy apps and services targeting the local market remain an ongoing concern. MPA encourages authorities to take proactive action against such piracy apps and services in coordination with rights holders.

Legislation

IP Code Amendments – MPA encourages the government to enact the site-blocking legislation currently under consideration, with some suggested improvements to provide a more robust administrative site-blocking remedy. While these efforts are underway, MPA also encourages IPOPHL to continue to improve the administrative site-blocking process including by expanding the coverage of the administrative site-blocking scheme to more ISPs. Regardless of the pathway to administrative site blocking in The Philippines, given the scale of online infringement, it is critical that the IPOPHL be adequately equipped to manage a sustained volume of site-blocking applications.

SOUTH KOREA

MARKET ACCESS ISSUES

Streaming Levy – There are several bills that would extend existing levies (including those charged on pay-TV services) to VOD services. The Ministry of Culture, Sports and Tourism (MCST) reportedly may also introduce legislation to impose film-related levies on streaming services. Such proposals would impose additional costs on the VOD market and risk discouraging investment despite the continued success of Korean content. Moreover, the significant organic investment in Korea’s creative sector by both local and global players demonstrates that there is no market failure that would justify such government intervention.

Streaming 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 an attempt at so-called regulatory harmonization for legacy media, mainly television, with streaming services. Proposals include the Audiovisual Media Services Act, introduced in the National Assembly in 2026, which seeks to establish a unified regulatory framework for traditional broadcasting and new media (i.e., streaming services). In addition, the Korea Media and Communications Commission is preparing a similar proposal with the same objectives – the Integrated Media Act. There is concern that these proposals will extend Korea’s existing onerous television regulations, which include local content requirements and foreign ownership/operating restrictions, to the streaming sector. Korea should maintain light-touch regulation to foster the streaming sector’s continued growth and avoid legislation that could negatively affect U.S. service providers.

Theatrical Holdback Proposals – Amendments to the Promotion of Motion Pictures and Video Products Act have been proposed in the National Assembly and would introduce a statutory holdback requirement after a film’s theatrical run concludes before the film can be made available for other forms of distribution, such as on VOD services. One proposal would implement a six-month statutory holdback requirement, while others would allow the Prime Minister or sectoral Ministerial regulator to determine theatrical holdbacks at their discretion. Such proposals are out of step with international best practices, curtail commercial freedom, and, if adopted, would create a significant barrier to U.S. digital services operating in Korea, heightening the risk of piracy.

Screen Quota – In 2006, during the 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 and special-format screens.

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

SOUTH KOREA (CONT.)

among licensed operators, in which internet service providers (ISPs) were required to compensate each other for traffic exchanged between them. This unique regime creates a de-facto right for ISPs to charge fees for incoming traffic, 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. Multiple network usage fees bills have been introduced in recent years.

Furthermore, in 2020, the National Assembly passed the Telecommunications Business Act Amendments (Article 22-7), which requires content providers to take responsibility for “network stability” and consumer demand. This is inconsistent with Korea’s obligations under KORUS (Chapter 14) to provide reasonable and non-discriminatory terms and conditions for access to telecommunications networks and undermines the constitutional principle of freedom of contract. 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.

Universal Viewing Rights (UVR) – The National Assembly is actively considering amendments to the Broadcasting Act which, in September 2026, have passed the Legislation and Judiciary Committee (LJC). As drafted, the amendments extend broadcasters’ UVR rules to VOD services and prevent VOD services from exclusively streaming listed events (including major national sports events such as the FIFA World Cup or Olympics). Instead, the draft would implement a requirement to ensure access to such content through terrestrial broadcasters. This mandate undermines exclusive rights and market incentives to license content. The Korean government should consider opting for a technology-neutral reach test instead, where any service provider able to demonstrate its technical ability to meet relevant audience thresholds is eligible to stream those events. This would preserve the government’s goal of guaranteeing wide access to certain events but also keep pace with evolving audience habits and give rights holders the widest possible set of options.

Domestic Agent Requirement – In July 2026, the Korea Fair Trade Commission (KFTC) approved revisions to the Act on Consumer Protection in Electronic Commerce (E-Commerce Act). These amendments (which will take full effect in January 2027) will require foreign e-commerce operators to designate a domestic representative if they meet any one of three thresholds: KRW 1 trillion annual global revenue, 1 million or more average monthly Korean users, or receive a KFTC designation for potential consumer harm. The KFTC’s October 2026 draft implementing guidelines keep these broad thresholds, which would capture U.S. VOD services (both those that do not target Korean consumers and those already regulated through local subsidiaries). MPA urges the Korean Government to apply the requirement only to operators that actively target Korean consumers.

SOUTH KOREA (CONT.)

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Korea has a significant stake in ensuring adequate and effective protection of copyright online. Over the past few years, foreign and Korean rights holders have become more active in protecting content both within and outside of Korea, and the government has made efforts to disable access to thousands of piracy sites and torrent trackers, with maximum efficacy ensured due to strict standards on the method of blocking. Enforcement actions have yielded positive results and deterrent sentencing against piracy operators, although pirate operators continue to spring up from time to time causing disruption of the legitimate market for copyright audiovisual content.

Legislation

On January 29, 2026, the National Assembly passed long-awaited amendments to the Korea Copyright Act (Act No. 21336), including “link site” liability. resulted in key changes to enforcement, including the creation of a parallel administrative site-blocking mechanism to the current law, which works well against traditional piracy sites. The law also imposes liability on for-profit operators, introduces punitive damages, and augments investigatory powers for public officials. MPA encourages the Korean government to ensure that the new mechanism operates efficiently alongside existing enforcement tools. Important concerns remain, including the “70 percent rule” and the inability to block non-Korean-language sites.

Unwaivable Statutory Remuneration Rights – 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, most recently in September 2026, 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. These payments would go beyond the negotiated contract. Such proposals would undermine the constitutional principle of 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 rights holders). MPA urges the government to reject these proposals, which would deter further production investment and raise questions around Korea’s compliance with its international treaty obligations.

Further, in May 2026, amendments to the Framework Act on the Promotion of Cultural Industries, the Content Industry Promotion Act, and the Act on the Guarantee of Status and Rights of Artists were introduced with the stated objective of improving working conditions for workers in the content industry. The amendments require the mandatory use of standard form contracts and would apply generally to all content businesses. This appears inconsistent with the constitutional principle of freedom of contract and the need to maintain a stable and predictable international investment environment. Requiring the mandatory use of standard form contracts directly restricts the right to

SOUTH KOREA (CONT.)

freely negotiate and determine contractual terms by mutual agreement; they are also not suitable for the specialized, case-by-case requirements of the audiovisual production industry. In addition, in practice the proposed amendments would impose a disproportionate burden on foreign companies inconsistent with Korea's international treaty obligations.

Copyright & AI – Bills have been introduced in the National Assembly, backed by certain sectors of the Korean government (the Ministry of Science and IT, and the Presidential Council on National AI Strategy), that would introduce text-and-data-mining exceptions for AI training. MPA cautions against rushed changes to the copyright framework in Korea, which is 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

Streaming Regulations – The National Communications Commission (NCC) continues to consider introducing a draft Internet Audiovisual Services Act (IAVSA). IAVSA would obligate foreign streaming 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. The NCC has also publicly noted interest in introducing network usage fees for streaming services, though not in its most recent discussions. Such requirements, if implemented, would stifle business development and add a burdensome barrier to market entry.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – 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 there are clear deficiencies in the system. While MPA welcomes the recent case result in the seizure of domains, in general, these seizures and confiscations, which are imperative in the permanent takedown of notorious piracy streaming services in Taiwan, take too long to have the intended deterrent impact.

Similarly, the “Response Policy Zone” mechanism, which may be used to block sites as part of either a civil or criminal process, has been too slow. While one result from 2025 led to a key piracy hotspot disappearing from the piracy landscape, and another result in 2026 resulted in both front and back-end domains being blocked for a top piracy target, the process speed is not sufficiently deterrent or disruptive impact on the Taiwan piracy ecosystem. Processes for blocking orders should be significantly sped up, and applications for blocking multiple domains infringing rights holders’ titles should be available to make the system more efficient for rights holders. This will ensure the site-blocking remedy can be carried out at scale, which will have the greatest possible disruptive impact.

These issues notwithstanding, the Taiwanese authorities continue to pursue criminal enforcement actions against piracy services and illegal streaming device operations, while also expanding cooperation with rights holders and international enforcement partners. MPA is hopeful that future actions will lead to more deterrent results and a permanent takedown of notorious piracy streaming services.

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) and implement a no-fault remedy to disable access to infringing sites.

THAILAND

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 for consultation in June 2025, would effectively remove the screen quota. MPA encourages the government to confirm this removal in the final legislation.

Screening Requirements – The Department of Cultural Promotion (DCP), under MOC, strictly enforces 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.

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 VOD releases. However, it remains unclear how this self-regulation will be implemented; MPA encourages the government to ensure the final legislation is light-touch and business-friendly for both theatrical releases and VOD services.

Television Must-Carry Requirements – Recent media reports suggest that the 2012 “must carry” rules, which require that programs aired on free-to-air TV must be broadcast on any platform (including satellite and Internet Protocol television) without conditions, will soon be reversed by the National Broadcasting and Telecommunications Commission (NBTC). Until this reversal happens, these regulations raise important intellectual property rights issues, hindering the ability of rights holders to enter exclusive distribution agreements in Thailand.

VOD Regulation – Various government agencies, including the NBTC, have also publicly noted their interest in regulating VOD. Potential new regulations include the possibility of requiring VOD 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 mandatory financial contributions. These regulations, if enacted, would limit consumer choice, stifle business development, and add further burdensome barriers to market entry.

As mentioned above, Thailand has been considering amendments to the Film Law, and previous drafts have suggested the imposition of new notification, rating, and registration obligations, which increase compliance burdens for VOD services, stifle business development, and add further burdensome barriers to market entry.

THAILAND (CONT.)

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Online piracy remains a serious problem in Thailand, with several websites amassing large traffic numbers in Thailand, harming the market for MPA members as well as the local Thai audiovisual industry. Site blocking has worked well to disrupt the piracy ecosystem for traditional pirate brands in Thailand, though pirate operators adapt by “hopping” to replacement domains. While rights holders have filed numerous site-blocking cases (with 21 in the queue for audiovisual rights holders), the jurisdictional change from the Criminal Court to the Court of Intellectual Property & International Trade (CIPIT) has unfortunately led to stalled dockets and delays. MPA encourages Ministry of Digital Economy and Society to consider these cases with priority and file them with the CIPIT expeditiously so that rights holders do not have to suffer continued theft of intellectual property rights.

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 generate deterrent outcomes against the pirate operators. Further, the prosecution process is too slow. Even when cases are concluded, the fines ordered by the Thai courts are not deterrent when compared to the illegal profits generated from copyright infringement.

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 rights holders.

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 also 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 violate TPM protections. Additionally, Thailand should extend its term of copyright protection to align it with the international trend of life plus 70 years.

THAILAND (CONT.)

After officially acceding to the WIPO Copyright Treaty (WCT) in 2022, the government is now reviewing proposed amendments to the Copyright Act to meet the requirements of the WIPO Performances and Phonograms Treaty (WPPT) with the goal of joining the treaty. 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 ignores standard industry practice for performers in audiovisual works and will create additional unnecessary compliance burdens for both international and Thai producers of content.

Copyright & AI – MPA is engaging with the Department for Intellectual Property and other parts of the Thai government on the nexus between copyright and AI, including the introduction of a potential text-and-data-mining exception. MPA cautions against rushed changes to the copyright framework in Thailand, 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

Screen Quotas – Vietnam’s Cinema Law, effective since 2023, requires at least 20 percent of annual screen time to be allocated to Vietnamese feature films. The MPA urges Vietnam to remove the screen quota, which is unnecessary and remains an obstacle to the sector’s growth.

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 percent ownership ceiling. Such restrictions are an unnecessary market access barrier for U.S. film producers and distributors and should be eliminated.

Decree 242 – Decree 242 was promulgated in June 2026, replacing Decree 71. Decree 71 expanded the scope of onerous pay-TV regulations to include VOD services. Most concerning among these regulations is a non-transparent licensing scheme that requires local presence or a joint venture, in addition to onerous censorship provisions for any VOD service that offers content not considered to be “films” (“films” are regulated under the Cinema Law, while “non-film” content in effect covers unscripted reality shows, talk shows, and live events/news). This licensing scheme severely hampers the full provision of legal VOD services to Vietnamese consumers and contributes to online infringement. MPA urges the government to lift these VOD content regulation mechanisms, which have severely impeded market access for U.S. services.

Censorship – Although Vietnam introduced an age-based classification system in 2016, films are still subject to occasional 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 provide 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

Enforcement

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 signal that the government is starting to prioritize anti-piracy, but sustained, concerted efforts are key to tackling the digital piracy issue in a meaningful way.

MPA appreciates Vietnam’s recent efforts to address its systemic and pervasive online piracy. In 2024, the Vietnamese Ministry of Public Security (MPS), supported by the Alliance for Creativity and Entertainment, shut down the largest pirate streaming operation in the world. In July 2026, Vietnamese authorities arrested and brought charges against seven suspected operators of the HiAnime piracy network, dismantling one of the world’s largest piracy operations. Earlier in 2026, authorities also arrested and prosecuted 38 suspects linked to the Xoi Lac TV piracy network.

VIETNAM (CONT.)

MPA recognizes the Vietnamese government's efforts through Dispatch 38, which urges agencies nationwide to strengthen enforcement against online piracy. The Dispatch additionally asks prosecutorial and judicial bodies to prioritize serious intellectual property cases by improving prosecution, expediting adjudication, and using cases to bolster deterrence and enforcement. MPA also welcomes the Ministry of Public Security's October 2026 engagement with industry on copyright infringement and closer enforcement cooperation and encourages a sustained referral channel with clear investigative follow-up and cross-border coordination.

While these efforts are commendable, Vietnam remains host to some of the world's most egregious and popular piracy sites and services that target a global and English-speaking audience. Streaming and internet protocol television piracy are the most prominent types of online piracy in Vietnam, and these sites and services cause significant damage to the local and international marketplaces. MPA urges the MPS to prioritize deterrent criminal enforcement action and conclusively close expansive piracy syndicates.

Deterrent sentences are imperative to reduce widespread piracy. While MPA is encouraged by recent enforcement against the HiAnime piracy syndicate, it remains to be seen when the case will move to trial, and if sentences will be sufficient. In April 2025, the operators of Fmovies were convicted of copyright violations but given suspended sentences, which dampens the deterrent message to operators of piracy services.

There remain significant difficulties in identifying the evidence needed to meet the requirements for an offense under Article 225 of the Vietnamese Penal Code. Article 225(1) prohibits reproducing or publicly sharing copyrighted works, and a key basis for establishing the offense is that the infringement is conducted on a commercial scale. However, Vietnam does not provide statutory or judicial clarification on what constitutes "commercial scale." Despite precedents from other jurisdictions, Vietnamese authorities have declined to initiate or prosecute cases on the premise of commercial-scale infringement. This creates uncertainty, making enforcement authorities hesitant to accept rights holders' evidence, which greatly delays investigations, and makes prosecutors hesitant to use "commercial scale" as the basis for an indictment, even when the scale of the infringement would have sufficed in other territories under their precedents. Vietnam should clarify and issue guidance that, under commercial scale, relevant evidence includes the number of visitors/subscribers the infringing site attracts, the number of infringing titles available on the site, and evidence of monetization of the infringing content. The assessment should ultimately be holistic and based on the totality of the circumstances.

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

VIETNAM (CONT.)

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.

Legislation

Criminal Code Amendments – MPA understands that the Ministry of Public Security and the Ministry of Justice are proposing amendments to the Criminal Code (the Draft Amendments) to strengthen the criminal enforcement framework against copyright and related-rights infringement. MPA encourages the Vietnamese government to review the penalties that are meted out under the Criminal Code and ensure that the penalties are commensurate with the significant damage and harm caused by such illegal activities. Amendments should ensure that the Criminal Code is fully aligned with Vietnam's international obligations as well.

IP Law Amendments – The government implemented further amendments to the IP Law in April 2026. The new law 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 internet service provider liability regime is welcome, but the safe harbors are too broad, and the protections for technological protection measures fall short. The amendments also introduce a text-and-data-mining exception with certain restrictions, including an opt-out, and a compulsory license scheme for commercially exploited outputs generated by AI. The worrying provisions were to some degree improved by subsequent implementing regulation; MPA is continuing to monitor implementation.

NATIONAL TRADE ESTIMATE

EUROPE



MOTION PICTURE ASSOCIATION

EUROPE

Europe is one of the most significant markets for film, television, and streaming content. MPA members play an integral role in bringing a wide range of U.S., international, and local stories to audiences across the region, supporting a dynamic and diverse audiovisual (AV) ecosystem. As Europe's AV markets continue to evolve, a balanced and predictable regulatory environment, including strong copyright protection and enforcement, is essential to sustaining investment, consumer choice, and the broad availability of content. MPA encourages an approach grounded on flexibility, proportionality, and non-discrimination, allowing Europe to remain a thriving and competitive distribution and production market for AV content.

MARKET ACCESS ISSUES

Investment Obligations – The Audiovisual Media Services Directive (AVMSD) allows EU Member States to require media service providers targeting their domestic audience to contribute financially to the production of specifically defined European works, even if a media service provider falls under the jurisdiction of another EU Member State. These financial obligations typically require media service providers to invest directly in European or domestic works, irrespective of whether this is part of their business model, and/or pay a levy to a national film fund. Member States that have enacted, or are considering, financial obligations are Austria, Belgium (in both the Flemish and Walloon Regions), Croatia, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Italy, Latvia, Lithuania, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain. Most of the other European Free Trade Association countries – Iceland, Norway, and Switzerland – are also enforcing, actively considering, or have already proposed legislation that would enact financial obligations. Albania has also introduced legislation to enact a levy on media service providers.

Catalogue Quotas – The AVMSD requires EU Member States to ensure that streaming services under their jurisdiction reserve at least a 30 percent share of their catalogues for European works and ensure prominence of these works. This requirement follows country-of-origin rules, which means that streaming 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. Some Member States have imposed a higher overall quota as well as sub-quotas on their domestic media providers, such as for local works or works in a specific language. Belgium, France, Hungary, Italy, and Spain are amongst those EU Member States that have enacted higher streaming quotas beyond what is required under EU law and/or included sub-quotas requiring a certain percentage of national works as part of the catalogue quota. Non-EU European countries, including Switzerland and the UK, also have policies in place.

Network Usage Fees – The European Commission published a proposal for a new telecom regulation, the Digital Networks Act (DNA), in January 2026. Article 192 of the DNA proposes a facility for “voluntary conciliation” between telecom providers and content and application providers, designed to build off a new “code of best practices” between internet service providers and CAPs established in Article 191. Moreover, Article 9(2) subjects CAPs and content delivery

EUROPE (CONT.)

network providers to an electronic communications general authorization regime that was originally designed to cover telecoms companies. If these measures are adopted, it will significantly limit the ability of U.S. internet content companies to operate in the EU and create pressure for the payment of network fees. If the dispute resolution facility is made mandatory, it could result in a de facto network fee through mandatory arbitration. This would be inconsistent with the 2025 Framework on an Agreement on Reciprocal, Fair, and Balanced Trade. Furthermore, even without DNA, some EU Member States, namely Italy, may be in the process of establishing de facto network usage fees.

Digital Fairness Act – The European Commission is assessing whether there are gaps in the EU’s consumer regulations, and evaluating possible further regulatory interventions, including through potential new rules relating to interface design and subscription contracts, as part of its work to develop a Digital Fairness Act (DFA). The broad range of topics the Commission is examining, and the severity of the regulatory interventions being considered, present a risk for business disruption, including for U.S. businesses, and uncertainty in the broader digital economy. An outcome that introduces intrusive rules regarding business models and service design could have particularly negative consequences for AV services.

EU KIDS Act – Closely related to the DFA and Digital Services Act, the European Commission proposed an “EU KIDS Act” in September 2026, as a response to political pressure for legislation to regulate minors’ access to social media, video-sharing platforms, AI Chatbots, and Gaming. While streaming services are not in scope of the proposed EU KIDS Act, provisions such as proposed obligations on app store providers could impact all providers of apps. Furthermore, there is a possibility that, during the legislative process, proposed measures could be extended to services beyond the scope for which they were originally foreseen.

INTELLECTUAL PROPERTY PROTECTION

The EU Intellectual Property Directives provides an overall 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. Together with Article 8(3) of the 2001 Information Society Directive (InfoSoc) for copyright, 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. In January 2026, the

EUROPE (CONT.)

European Commission published its follow-up study on the application of IPRED. The study confirms the value of dynamic blocking injunctions as an effective enforcement tool and identifies opportunities to further strengthen their use across the EU, including through greater harmonization, improved judicial guidance, and voluntary and out-of-court mechanisms. Regarding ROI, the study helpfully identifies persistent legal and procedural barriers and highlights the need to facilitate access to information necessary to identify infringers including IP and email addresses, and login details, held by relevant intermediaries.

NIS2 Directive – The Network and Information Security 2 (NIS2) Directive aims to improve cybersecurity across Member States. The NIS2 Directive includes 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 or have already limited legitimate access seekers to public authorities. The deadline for transposition was in 2024, but several Member States have missed this deadline, leading to the Commission referring Ireland, France, the Netherlands, and Spain to the CJEU in July 2026 for failing to notify transposition measures.

EU Copyright Directives – The principal objective of the InfoSoc Directive was the harmonization and modernization of certain aspects of copyright law in the digital age including implementation of the WIPO Internet Treaties.

InfoSoc contains an exception for private copying that, if interpreted too broadly, could violate the TRIPS/Berne 3-Step test. In some countries, the provisions regarding the private copy exception are too broad. Of particular 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 protection 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

EUROPE (CONT.)

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.

The Directive further clarifies that certain content-sharing platforms perform an act of communication with the public. Therefore, absent authorization from the relevant rights holder, they 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

EUROPE (CONT.)

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.

BELGIUM

MARKET ACCESS ISSUES

Streaming Quotas – Going beyond the requirements of the EU Audiovisual Media Services Directive (AVMSD) requirements, the Federation Wallonie-Bruxelles (FWB) has progressively increased the minimum share of European works required in the catalogues of streaming services whose country of origin is Belgium. Originally at 30 percent, the quota will reach 40 percent through a five-year transitional period ending on January 1, 2027.

Investment Obligations – The FWB and the Flemish Region each require audiovisual service providers to pay a percentage of the revenue their local revenues either as investment in regional audiovisual works or as a levy. In 2024, the FWB increased the financial obligation for all media service providers, up to 9.5 percent in the region, depending on their turnover. Separately, in 2024, the Flemish Parliament increased the financial obligation for streaming services and video-sharing platforms up to four percent based on annual revenue generated in the Flemish region. Both the FWB and Flemish region's respective investment obligations are being challenged before Belgium's Constitutional Court (BCC). On the FWB's case, the BCC referred four preliminary questions to the Court of Justice of the European Union (CJEU) and the decision by the CJEU is pending.

INTELLECTUAL PROPERTY PROTECTION

Legislation

EU Enforcement Directive – Belgium implemented the Enforcement Directive in 2007. The implementation provides rights holders with 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 inefficient 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 and were extended to audiovisual (AV) and music on-demand services unless there is a collective agreement. 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 Copyright 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. Some audiovisual and music companies have brought actions for annulment of these provisions before the BCC, which has referred several questions to the CJEU for preliminary ruling (C-663/24). The case is still currently pending before the CJEU.

FRANCE

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.

Streaming Quotas – Going beyond the EU Audiovisual Media Services Directive (AVMSD) quotas, streaming service providers whose country of establishment is France must reserve at least 60 percent of their catalogue for European works and at least 40 percent for works of original French expression. A derogation regime permits streaming service providers to apply for an exemption from the 60 percent quota, but going no lower than 50 percent, in exchange for commitments to finance the production of AV works of original French expression by independent production companies.

Release Windows – France mandates the chronology of how cinematographic content is released during its exploitation stages, with the current system lacking flexibility and resulting in exceptionally long windows (between four months to three years in some instances). As a result, piracy is exacerbated as consumers look to faster means of consuming content.

Investment Obligations – In 2021, the French government established a complex regulatory framework that extended the existing requirements for linear broadcasters to invest in original French productions streaming services serving French audiences. The law includes a requirement for transactional streaming services to invest 15 percent of their net annual French revenues and for subscription streaming services to invest 20-25 percent of their net annual French revenues in French or European content. The precise rate for subscription services is keyed to the release windows for theatrically released films that services choose – 25 percent if sooner than 12 months post-theatrical, 20 percent if later.

France's investment obligations also include 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 percent). The regulatory framework does not provide an exemption for thematic or niche AV services. In January 2026, France introduced an additional obligation for subscription streaming services to devote 20 percent of the portion of their 20-25 percent investment obligation that has to be dedicated to series and direct-to-platform films (i.e., four-five percent of the overall obligation) to animation, documentary, or live performances (shows/theater). For services with an annual turnover of more than €50 million, 75 percent of this new sub-quota must be devoted to developing new works. For animated works, streaming services are limited to the extent to which expenditure on international exploitation can count towards their investment obligations. These changes further aggravated the restrictiveness and complexity of the French investment obligations.

Levies – The French government subsidizes local film productions and distribution through levies assessed across an array of film industry participants, including streaming services established in

FRANCE (CONT.)

other jurisdictions but serving viewers in France. This includes a 5.15 percent levy on annual turnovers from transactional VOD and subscription streaming activities. There is an additional 10.72 percent levy on movie ticket sales.

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

Protection of AV Catalogues – France makes it difficult for any entity to transfer AV works and AV catalogues.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

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

Legislation

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.

GERMANY

MARKET ACCESS ISSUES

Proposed Investment Obligation – The Federal Government introduced the Media Services Investment Obligation Act (MedienInvestVG) in May 2026. The proposed obligation would require streaming services to spend at least eight percent of streaming revenues generated in Germany on investment in European productions. Of that investment, 80 percent must be in German-language works, 70 percent must be in works by “independent producers,” and 60 percent must be in “new” works. The proposal also includes an intellectual property rights retention mechanism, unless the streamers’ investment reaches 12 percent, for works counting towards the independent producer sub-quota. The combination of the very high and complicated sub-quotas, along with intellectual property rights retention mandate, is a substantial intensification in Government interference with entrepreneurial freedom, property rights, contractual freedom, and program autonomy. The draft imposes a targeted burden on individual market participants in addition to the existing obligation to make financial contributions via the FFA levy, which is primarily paid by the same services.

Film Fund Levy – Pursuant to the 2025 Film Support Act, companies exploiting theatrical films must up to 2.5 percent of their revenues derived from theatrical films 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.

Tax Liability on Trademarks Registered in Germany – The current process for assessing tax liability in connection with trademarks registered in Germany poses a disproportionate administrative burden for rights holders. Pursuant to Section 49 of the German Income Tax Act, 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 withholding tax return with the German Federal Central Tax Office unless the non-German licensor obtains an official tax exemption certificate prior to the payment. 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 can take years with disproportionate administrative effort. Proposed legislation to increase the threshold for the application-free exemption procedure (under Section 50c EStG) will not solve this issue.

License Fees Taxation – There is a risk that the authorities might assert that 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.

GERMANY (CONT.)

Enforcement

While rights holders can obtain an injunction under civil law, injunctions against website operators and hosting providers are title-specific, which complicates the fight against online piracy sites. 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, effectively closing off judicial means for right holders seeking to protect live or new release content on an urgent basis.

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.

Germany's site-blocking system is unable to respond adequately to piracy of live events. This is partly due to the processing time required by courts and access providers but also because the Federal Network Agency is critical of blocking orders.

Legislation

Copyright Act Revision – The 2021 transposition of the Digital Single Market Copyright Directive weakened exclusive rights and copyright protection in Germany. 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.

Right of Information claims, which rights holders rely on for enforcement, are also inadequate, limited to disclosure of the name and postal address of the infringer, which intermediaries don't

GERMANY (CONT.)

usually collect. And, because Germany lacks robust know-your-business-customer-rules, the information provided is often fake. Germany's overly narrow implementation of NIS2 is also a missed opportunity to foster effective and efficient enforcement.

Standard Essential Patent Litigation – Germany, and particularly Munich, has become one of the most active and consequential venues globally for standard-essential patent litigation targeting streaming services over high-efficiency video coding/video-codec technology. A wave of infringement suits has resulted in a series of injunctions forcing at least one major streaming service to disable premium features for German subscribers and the broader European subscriber base. In August 2026, the Munich Regional Court's 7th Civil Chamber published fair, reasonable, and non-discriminatory (FRAND) guidelines that include indicative royalty rates for streaming services, which have drawn criticism for their limited evidentiary basis, for being adopted amid pending litigation, and without public consultation. In this context, MPA welcomes the consultation by the Unified Patent Court's Patent Mediation and Arbitration Centre on its draft FRAND Guidelines for alternative dispute resolution, as a constructive step towards a more transparent and balanced resolution of FRAND disputes. A FRAND framework characterized by appropriate transparency is essential to protect consumers and safeguard the investments streaming services make in AV content.

MARKET ACCESS ISSUES

Streaming Quotas – Going beyond the Audiovisual Media Services Directive (AVMSD) content quota, Hungary has an additional sub-quota requiring 10 percent of catalogues to be comprised of Hungarian works.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

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

Although the provisions of the EU's copyright-related Directives 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 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 presenting LGBT+ content as their central element are in the second highest restriction category, regardless of whether they are presenting the subject matter only in a factual context. The categorization of films is carried out by the National Film Office under the Media Authority and is required for all films distributed in Hungary. Under a new government and following an April 2026 Court of Justice of the European Union's judgment, the anti-LGBT+ provisions as they affect the media sector were repealed in October 2026.

MARKET ACCESS ISSUES

Streaming Quotas – Going beyond the Audiovisual Media Services Directive (AVMSD) requirements, for streaming services whose country of origin is Italy, Italy requires European works that are eligible to satisfy the quota to be produced within the last five years. In addition, 15 percent of the titles in a streaming service provider's catalogue must be reserved for Italian works produced by independent producers within the last five years.

Streaming Investment Obligation – Streaming providers must now devote 16 percent of their annual net revenues generated in Italy to the production of European works. Of that investment obligation, 70 percent must be reserved for strictly Italian works produced by independent Italian producers within the past five years. A further sub-quota, three percent of the service's annual net revenues (27 percent of the total investment obligation), must be reserved for cinematographic works of Italian original expression produced by independent producers.

Broadcast Investment Obligation – Going beyond the AVMSD requirements, commercial broadcasters must annually invest 12.5 percent of their revenues into the production of independent European works. 50 percent of this share (i.e., 6.25 percent) is reserved for Italian works produced within the past five years, and three percent of revenues must be allocated to Italian cinematographic works produced by independent producers. Of this three percent, 75 percent must be devoted to feature films produced within the past five years.

Network Usage Fees and Telecom Regulations – AGCOM Resolution No. 207-25-CONS, published in July 2025 following intense campaigning by Italian telecom companies in favor of a network fees regime, 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, 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. This AGCOM interpretation has not been confirmed by the Ministry of Enterprises and Made in Italy, the Trade Ministry, and is therefore not currently enforced.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – In September 2025, AGCOM's new Copyright Regulation entered into force, extending the rapid enforcement mechanisms previously available only for live sports broadcasts to live audiovisual content and first releases of films and television series. This enabled the blocking of infringing content within 30 minutes of a rights holder's request. It also broadens the

ITALY (CONT.)

range of intermediaries subject to blocking and delisting orders, including caching service providers, VPN services, alternative DNS providers, and search engines. MPA applauds the Italian government for its commitment to combat piracy and encourages a balanced application of these rules. However, the levels of piracy remain high due to the massive use of streaming piracy, torrent sites, illegal Internet Protocol Television services, 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. Due to the ease of concealing audio recording devices, 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

Antipiracy Costs – Italy requires rights holders, CMOs, independent management entities, and audiovisual media service providers, including those licensed in other EU Member States, to finance AGCOM's anti-piracy enforcement efforts through a mandatory 0.05 percent levy on their annual revenues generated in Italy. 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.

THE NETHERLANDS

MARKET ACCESS ISSUES

Streaming Financial Obligation – Streaming service providers with an annual turnover of at least €10 million within the Netherlands must invest five percent of their national revenues either into Dutch works or into the Dutch film fund. The law includes a 60 percent sub-quota for independent productions. It also mandates making the presence of Dutch and Frisian language compulsory in all investments claimed to fulfill the obligation met through having at least 75 percent of the original screenplay be written in Dutch or Frisian, and/or the main characters express themselves at least 75 percent 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

Enforcement

Internet Piracy – Dutch hosting companies host both locally oriented pirate internet sites as well as international English-language pirate sites, primarily through co-location, underscoring the need for effective legal mechanisms to secure third-party intermediary cooperation in tackling cross-border piracy. 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. Several cyberlockers are hosted in the Netherlands, and hosting providers refuse to take them offline if cyberlockers have a notice-and-takedown policy despite many of those cyberlockers' policies being insufficient to address widespread infringement. Further, the Netherlands still has one of the highest numbers of unauthorized Internet Protocol Television (IPTV) service users in Europe.

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, this single instance remains wholly insufficient against the backdrop of mass infringement with rights holders largely having to rely on civil enforcement.

BREIN continues to face opposition from intermediaries, especially access providers, and particularly in cases that involve an attempt to obtain contact details of commercial-scale infringers. However, after BREIN secured a final blocking order against The Pirate Bay 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. websites changing domains without further court orders.

THE NETHERLANDS (CONT.)

Despite these improvements, more criminal enforcement against illegal IPTV is needed. While several investigations have been initiated, no criminal court decisions have been issued to date. BREIN has been appointed as a Trusted Flagger under the Digital Services Act and has intensified its civil enforcement efforts.

MARKET ACCESS ISSUES

Levy – Streaming services, broadcasters, cable TV providers, and cinema operators must contribute 1.5 percent 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 percent. 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.

DST Proposal – The Polish Ministry of Digital Affairs proposed in July 2026 a three percent rate on Polish revenue of online services from targeted online advertising, multi-sided interfaces that enable interaction or transactions, and the monetization of user data collected through digital interfaces. The proposed tax would apply when the two following thresholds were exceeded during the previous financial year: worldwide revenue of an entity (or its consolidated group) exceeded €1 billion; and revenue generated in Poland exceeded zł25 million. The Bill will likely go to the Council of Ministers by year's end with entry into force January 2027. Although streaming is not in scope, this could capture digital advertising revenue.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Piracy continues to be a serious concern in Poland. Enforcement against intellectual property infringement cases is insufficient and inadequate. Many cases are stuck or dropped due to the inability to identify the infringer.

Legislation

InfoSoc Implementation – Poland has not implemented Article 8(3) of the 2001 Information Society Directive (InfoSoc) which makes it difficult to enforce against websites operated outside of the EU.

The absence of no-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. Poland's recent implementation of the Digital Services Act is a first step, but without a solid, fully implemented framework, blocking structurally infringing sites remains unavailable.

Digital Single Market Copyright and SatCab Directives – Poland's transposition of the Directives extends the remuneration rights of co-authors and performers of audiovisual (AV) works to making available and on-demand, subjecting those rights to mandatory collective management (MCRM). This is highly problematic because it would allow authors, directors, and performers to claim

POLAND (CONT.)

additional compensation beyond that negotiated, including ongoing residual compensation. 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. This regime has an impact on U.S. exports of AV works, increasing distribution and licensing costs.

RUSSIA

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.

Foreign Ownership Restrictions – The Mass Media Law prohibits foreign and Russian legal entities with foreign participation from owning more than 20 percent of a mass media entity or broadcaster.

Foreign ownership of streaming services is limited to 20 percent, provided that the number of Russian subscribers is less than 50 percent of the service's total audience (i.e., the rule targets services with mostly non-Russian audiences). Foreign participation above 20 percent 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’s VAT is 20 percent.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – While Russia remains host to several illicit sites that cater to English-speaking audiences, 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 as notice and takedown compliance has dropped sharply following their removals from major U.S. app stores.

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.

RUSSIA (CONT.)

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. Unfortunately, the Government made it more difficult to initiate a criminal investigation in 2024 when it raised the threshold of the value that counterfeited copies must meet for rights holders to pursue criminal liability for copyright infringement.

Russia should take steps to improve the effectiveness and 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, though is unlikely to advance with rights holders relying on the MOU.

SPAIN

MARKET ACCESS ISSUES

Streaming Financial Obligations – Spain maintains investment obligations for linear and streaming services. If a private service's revenues in the Spanish market are at or over €50 million, there is an obligation to invest five percent of Spanish revenues in European audiovisual (AV) works. Services can comply with this obligation either through the direct financing of European works' production, by indirectly acquiring the rights of finished works, or through a contribution to one of the national film funds. A minimum of 40 percent of the five percent investment in AV works must be reserved for cinematographic works of independent producers in any of the official languages of Spain. There is another 70 percent sub-quota for independent productions, of which 15 percent is reserved for official languages other than Spanish, based on population weight, and reserving at least 10 percent for each of them. Of the 70 percent sub-quota for independent productions is a further sub-quota, mandating that a minimum of 30 percent must be allocated to AV works directed or created exclusively by women.

The AV law also mandates that both domestic and non-domestic linear and non-linear services must subsidize the Spanish public broadcaster RTVE by contributing 1.5 percent of their annual gross turnover. Free-to-air broadcasters shall pay three percent of their annual gross turnover, not exceeding 15 percent of the total yearly income anticipated by RTVE.

Streaming Quotas – For streaming services whose country of origin is Spain, Spain has a 30 percent quota for European works and requires that half of these works are produced in one of the official languages of Spain. Moreover, of the 50 percent sub-quota of European works produced in one of the official languages of Spain, at least 40 percent 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 percent 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 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.

INTELLECTUAL PROPERTY PROTECTION

Legislation

Spain's law includes unwaivable remuneration rights which were extended to users in the on-demand space in 2006. These unwaivable rights to additional compensation 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. The regime layers statutory payment obligations on top of existing contractual agreements, which are redundant for works for

SPAIN (CONT.)

which equitable compensation has been paid. For international distributors, including U.S. companies, the mandatory nature of these remuneration rights raises concerns about potential double payment to authors and performers in those works and increases licensing frictions, especially where residuals are already provided for under individual contracts or collective bargaining agreements.

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.

Data Protection Law – This law does not allow a civil party to collect and process infringers’ IP addresses without judicial authorization, on the basis that such addresses are personal, confidential data. This requirement goes beyond the usual GDPR legal basis requirements (e.g. consent, legitimate interest), which do not depend on judicial ruling.

SWITZERLAND

MARKET ACCESS ISSUES

Streaming Quota – Switzerland imposes a 30 percent catalogue quota for European works for streaming services targeting Switzerland, mirroring the AVMSD catalogue quota requirement.

Investment Obligations – Switzerland requires streaming service providers to invest four percent of their annual revenue attributable to Switzerland into local content. If they fail to do so, they must pay a substitute levy after a period of four years. International streaming platforms are subject to this investment obligation if they generate more than 2.5 million CHF in revenue from the operation of television and streaming services in Switzerland, or if more than 12 eligible long-form films 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, including rules on reporting formats, which is a significant administrative burden.

Unique Distributor Clause – Exploitation of a film in any media, including streaming, 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.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Switzerland lacks meaningful remedies and effective enforcement against online copyright infringement, in particular against foreign-based piracy sites. This is fostered by its legal private use of content from illegal sources doctrine, 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.

Switzerland lacks efficient and practicable enforcement instruments for intermediaries, as well as instruments to identify the owners of domains in cases of abuse. Switzerland also needs to introduce reasonable, efficient rules of platform liability related to platform-based mass content offerings. Switzerland has never introduced reliable regulations for internet service providers' liability and has not adopted practices that have become standard elsewhere in Europe and beyond.

SWITZERLAND (CONT.)

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 have barely, if at all, been applied by courts in recent years. This is, in part, attributable to vague legal concepts and a lack of clarity. 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; reigning in excessive uses under the private and educational use exceptions; 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. (such as large-scale streaming services for filmed entertainment in educational environments, or AI-related uses) in conflict with the three-step test. In a recent development, the Federal Council, in August 2026, has called for amendment of Article 19 of the Copyright Act to allow wholesale copying of literary and artistic works, including feature films, by educational institutions. Current limitations prohibit copying of entire works. There is no demonstrated need for the widening of the current exception which seems to run afoul of TRIPs/the three-step-test, particularly in view of the ineffectual enforcement regime in the country.

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.

Parliament voted for a bill to be drafted to address AI-related uses under copyright that would grant rights owners (both authors and neighboring rights) an exclusive right over AI-related uses of their works but also would introduce licensing mechanisms aimed to facilitate AI activities (e.g., via opt-out mechanisms). The bill is expected to be submitted for public consultation in 2027.

UNITED KINGDOM

MARKET ACCESS ISSUES

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

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. In addition, 10 percent of transmission time reserved for European works must be created by independent producers, of which 50 percent must be no older than five years. This obligation is 25 percent for public service broadcasters.

The UK Government released a Green Paper in June 2026 which examined how UK media policy should adapt to changing technology and audience habits, specifically relating to news and information online; TV distribution; TV regulation; prominence and discoverability; and whether the public service media compact requires reform. The Government consulted on this wide-ranging Green Paper to align any policy proposals with the concurrent workstream on the review of the BBC Royal Charter. MPA is concerned that this may lead to the imposition of prominence and discoverability requirements on streaming services without clear evidence that audiences cannot find public broadcasters' content. The government should refrain from any further intervention on public broadcasters' "appropriate prominence" when the Media Act 2024 is not yet fully implemented. Doing so would not only be premature, but also risks disproportionately hampering free consumer choice by artificially heightening the visibility of certain pieces of content. MPA suggests ensuring that the market incentivizes mutually beneficial partnerships between public service broadcasters and other services. There is also concern that BBC could be given access to advertising or subscription revenues, or that the scope of the BBC licence fee could be extended to streamers. Next steps will be clearer once a new White Paper, expected before the end of 2026, is published.

Universal Viewing Rights – The June 2026 Green Paper outlines its ambition to transition to internet-based viewing, yet it fails to extend this to how public service media may be delivered to the listed events regime. The government should move away from a fixed list of eligible broadcasters to a technology neutral reach test. It would protect audience's rights to access certain events, harness the potential of new viewing technologies, while significantly widening the array of possibilities for rights-holders.

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 subscription services.

Organized criminal gangs are increasingly involved in the importation, configuration, and

UNITED KINGDOM (CONT.)

marketing of ISDs and apps. MPA appreciates the Border Agency's increased interest in tackling this problem.

Legislation

AI Consultations – The Government continues to review the issues of transparency, labelling, digital replicas, and support for independent creators through government-led workstreams. A consultation is intended to be released by the end of 2026, followed by the creation of a working group on AI labelling.

Standard Essential Patents – The UK Government published its response to consultations on standard essential patents (SEP) on October 13, 2026. MPA welcomes the UK Government's focus on transparency and on more efficient dispute resolution, its recognition that litigation is increasingly emerging in streaming services and video codec technologies, and its conclusion that injunctions in SEP disputes require careful judicial scrutiny. MPA is however concerned about the risk of patent hold-up, SEP holders with market power and consequences of disputes over licensing terms that may not be fair, reasonable, and non-discriminatory (FRAND). Unfortunately, the consultation findings do not adequately address the challenges regarding FRAND licensing of SEPs for the streaming codec context, including the risk of disproportionate consequences resulting from patent injunctions, lack of established licensing practice and limited transparency on comparable licenses. MPA encourages the government to reconsider their findings and consult with the audiovisual sector before any future implementations are considered. MPA also welcomes the UK IPO's call for evidence on a possible FRAND Opinion Service and the opportunity it gives stakeholders to contribute to the design of measures that may improve transparency in SEP licensing.

NATIONAL TRADE ESTIMATE

MIDDLE EAST



MOTION PICTURE ASSOCIATION

MARKET ACCESS ISSUES

Broadcasting Bill – The Knesset approved the Broadcasting Bill in July 2026, updating the regulatory framework for the broadcasting of audiovisual works in Israel. The final draft helpfully removed the investment obligation for foreign streaming services. Separately, the law mandates that sports events of public importance must be broadcast on free-to-air channels, although the Committee will have discretion to approve alternative means of distribution, provided that the events remain accessible to the public free of charge. It is not clear yet if this will include distinguishing “basic” sports channels from pay-TV sports channels. This is expected to be clarified upon entry into force, though there are judicial challenges. Policymakers should ensure that their approach remains technology-neutral: any service provider able to make those events available free of charge should be eligible to broadcast them.

NATIONAL TRADE ESTIMATE

WESTERN HEMISPHERE



MOTION PICTURE ASSOCIATION

WESTERN HEMISPHERE

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 in the hemisphere. Brazil has raised its screen quota in recent years and imposed sub-quotas on large theatrical releases. Brazilian lawmakers have advanced legislation that would establish taxes and quotas on the streaming market. In Mexico, lawmakers have attempted to impose local content quotas on both theatrical and streaming distribution channels via the Federal Telecommunications and Broadcasting Law and through amendments to the Federal Cinematographic Law.

Canada maintains a multitude of discriminatory and outdated content quotas for broadcast and pay-TV that artificially inflate the total spend on Canadian programming. Additionally, the Online Streaming Act entered into force in 2023 and 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 CRTC has issued a series of implementing decisions that impose burdensome financial, discoverability, and reporting obligations on U.S. streaming companies, many of which are inconsistent with various USMCA provisions. While the Canadian government has announced it will be requesting the CRTC to revisit its proposed financial obligations, it has yet to do so.

Quebec Bill 109, as enacted, further requires streaming services and device manufacturers to promote and prioritize French-language content.

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, including those in Brazil and Peru. Content providers already contribute substantially 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.

The U.S. motion picture and television industry also faces 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 also impose strict advertising limits on pay-TV channels.

Brazil is considering new regulatory frameworks addressing digital markets, platform conduct, and competition in the digital economy. While these initiatives seek to address legitimate competition and market-structure concerns, their scope and application vary significantly across jurisdictions, and may affect a multitude of digital business models, including U.S. streaming

WESTERN HEMISPHERE (CONT.)

services, in different and sometimes unintended ways, which is the case of the current bill in Brazil. For the audiovisual (AV) sector, particular attention is warranted to ensure that emerging frameworks account for the distinct characteristics of direct-to-consumer streaming services and do not extend obligations to services that do not exhibit the multi-sided intermediary competitive dynamics such frameworks are intended to address.

In Mexico, the recently issued General Guidelines for the Protection of Audience Rights, a subordinate instrument of the Telecommunications and Broadcasting Law, has generated considerable tension by empowering the government to decide whether a news report is true or false, raising freedom-of-expression concerns. While the version published in the official gazette removed most of those requirements, these Guidelines reflect a broader trend in the current federal administration to expand the President's regulatory powers over the digital sector and telecommunications through executive orders. As part of this trend, the administration has promoted a decree that would impose new child protection obligations on digital platforms, including content control measures that could lead to censorship.

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 services that provide unauthorized telecommunication signals/channels and VOD 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.

Another regional threat in Canada and Latin America is the proliferation of illicit streaming devices (ISDs). These devices are popular throughout the region and are a leading distribution channel for online piracy of audiovisual material. MPA applauds continued efforts from Brazil's ANATEL against contraband ISDs, as well as the Agency's site-blocking actions. MPA also lauds Brazilian media regulator ANCINE's issuance of an administrative site-blocking framework to combat copyright infringement.

Theatrical camcording also remains a persistent source of piracy in Latin America, 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 also empowers enforcement authorities to act against this kind of infringement, and MPA commends Peru for its recent Criminal Code modification, which will give authorities a more efficient tool to address theatrical camcording violations. Additionally, Ecuador has committed to enhance criminal enforcement against camcording as part of its Agreement on Reciprocal Trade with the United States.

Meanwhile, in 2020, Mexico enacted USMCA-aligned legal reforms that included changes to the criminal code, providing new tools to prosecute camcording pirates, including removing the "proof

WESTERN HEMISPHERE (CONT.)

of profit” requirement, an important legislative improvement. In practice, however, these provisions have not been effectively enforced: actions attempted in coordination with the authorities have not led to any arrests or criminal prosecutions, largely because of burdensome procedural formalities. In camcording cases, for example, a notary public or commercial broker must be present to formally attest to the facts at the very moment the act takes place, which in practice makes it impossible to open a criminal investigation. As a result, Mexico remains a leading location for illegal camcording activity.

Mexico additionally continues to experience very high rates of copyright piracy, including through online streaming, with enforcement hindered by burdensome formalities. While the Mexican Institute of Industrial Property has taken steps to combat online piracy of audiovisual works, numerous barriers and formalities make these proceedings lengthy and ineffective. For example, requiring the rights holder to prove title of ownership to every work on any given website(s) that unlawfully makes dozens of titles available poses a significant challenge for those bringing litigation or seeking precautionary measures.

In Mexico, national collective management organizations (CMOs) are encouraging the Executive branch and related agencies to seek to amend the regulations under the Federal Copyright Law to introduce a private-copying levy on electronic devices. The proposal would, in effect, normalize access to pirated content by treating infringement as if it had been paid for in advance, as well as create a new fee that ultimately falls on consumers.

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 would 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 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.

Collective Rights Management and MCRM have profoundly negative impacts on 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

WESTERN HEMISPHERE (CONT.)

unquantifiable, 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 and erode 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 has long been discussed in Brazil. Some systems, such as those in Colombia and Peru, for performer remuneration rights, impose MCRM. The only functioning CMO in Uruguay, representing author remuneration rights, has asserted that remuneration rights are subject to MCRM; however, the legal framework remains unclear due to fragmented 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 contracts 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.

BRAZIL

MARKET ACCESS ISSUES

Streaming Regulatory Framework – There is legislation pending in the Brazilian Congress that would impose a new levy (Condecine) of up to three to four percent on revenues from supplying audiovisual streaming services in Brazil. The Senate passed Bill #2331/2022 in 2024, and the Lower House passed a different version of the bill in November 2025. Both bills provide a discounted rate for streaming services with more than 50 percent Brazilian content. In practice, all covered Brazilian companies will receive this discount, and covered U.S. companies will not. Streaming services and free ad-supported streaming television services can offset 60 percent of the levy with investments in Brazilian content. However, to use this offset provision, the Lower House bill requires streaming services to relinquish intellectual property rights in the qualifying productions, even if the streamer made the entire initial investment in the production. Both bills also include a local content quota and obligations on streaming services to give prominence to Brazilian content on their services. Any measure to promote domestic audiovisual works should allow for sufficient flexibility, enabling producers and streaming service providers to structure investments based on audience interest, economic viability, and the creative potential of each project.

Additionally, the bill approved by the Lower House provides that an additional 11 percent levy on remittances (Condecine-Remittance). For foreign streaming companies operating in Brazil, this levy would apply to all payments from the Brazilian subsidiary to the foreign parent, which, due to tax and intellectual property ownership considerations, is a large universe of payments. For Brazilian streaming companies, the Condecine-Remittance will apply to a relatively small universe of payments, such as payments for licensing foreign content. If enacted, these bills would disproportionately impact U.S. service suppliers. Brazil also currently applies a Condecine tax on a per-title basis to films, pay-TV, and “other segments.” While this tax does not apply to streaming services, there are several bills pending that would extend the Condecine tax to streaming services.

Screen Quotas – Theatrical quotas were renewed until 2033. The obligations include exhibiting a minimum percentage of Brazilian works proportional to the number of the complex’s screens and exhibiting a minimum number of different works simultaneously, also proportional to the number of screens. Moreover, theater complexes with three to five screens cannot exhibit the same work in over 66 percent of the screenings in a day, while those with six or more screens cannot exhibit the same work in over 50 percent of the screenings in a day, preventing large theatrical releases from responding to consumer demand. While MPA appreciates ANCINE’s ruling in 2026, which provides some flexibility, MPA continues to oppose such quotas, which limit consumer choice and can push consumers toward illegitimate content sources.

Kids Online Safety Act – Brazil is moving to implement the National Data Protection Agency’s new authorities under Federal Law #15211/2025, the “ECA Digital.” Although services with editorial control have already been recognized as presenting substantially mitigated risks and exempted from certain obligations under both the ECA Digital and its primary implementing

BRAZIL (CONT.)

decree, Decree No. #12880/2026, it is essential that future regulatory measures reflect this differentiated risk profile.

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, an increase in 2025 on the Tax on Financial Operations (IOF), and proposals to create a Digital Services Tax. While these measures 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.

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. Similarly, increases to the IOF create an additional burden on foreign investors, running counter to efforts to promote capital mobility, lower the cost of doing business, and maintain regulatory predictability.

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. Several proposals disregard the principles under Brazil’s new tax framework and diverge from the OECD’s international tax policies. They also often fail to consider the distinct operational characteristics of different digital services. Of particular concern is remittances. Remittances are already subject to existing taxes and the potential Condecine-video-on-demand levy and could also incur CIDE at a 10 percent rate which substantially increases the effective cost of cross-border transactions.

Network Usage Fees and Telecom Regulations – In 2026, there remains 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. In 2026, the Agency launched an additional request for comments that, although formally focused on users’ obligations in using telecommunications networks, should be understood in the broader context of the ongoing policy debate over potential network fees.

In parallel, ANATEL has reportedly drafted a proposed 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 internet service providers (ISPs) when

BRAZIL (CONT.)

they are responsible for over three percent of a network's bandwidth and force OSPs with yearly gross revenues over US\$10 million to contribute to FUST (a telecommunications fund).

A different Bill (#469/2024) in the Lower House 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 (#2947/2023, #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 impact providers' revenues and general freedom of contract and weaken copyright enforcement.

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

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Legitimate online audiovisual services operating in Brazil 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 laws in recent years, additional measures are needed to improve the speed, volume, and sophistication of operations to combat the pervasive level of piracy affecting the market and region.

Operation 404, coordinated by the Ministry of Justice and Public Security, 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 and region 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

BRAZIL (CONT.)

related to intellectual property protection in Brazil – continues to face understaffing and resource constraints, significantly hindering its ability to perform its functions effectively.

ANCINE issued Normative Ruling #174/2026, establishing procedures for administrative site-blocking, in partnership with ANATEL. The Normative Ruling finally implements the site-blocking mechanism established by Federal Law # 14815/2024. MPA applauds this development.

Legislation

Copyright Reform – Rights holders are troubled by several legislative proposals (Bills # 1513/2011 and 5674/2019) 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 #2370/2019, along with Bill #4968/2024, aims to reform the Copyright Act to create an additional remuneration layer affecting rights holders of copyrighted works used online.

Subtitling and Dubbing of AV Works – The Lower House continues to debate policies (Bills #1376/2022 and #4041/2025) that would exclude work by foreign dubbing artists and/or companies.

Assignment of Image and Voice Rights – Bill # 4041/2025 and Bill # 1376/2022 forbid the assignment of images, voices, or other personal data of actors and voice dubbers. In addition, Bills #4869/2023, #3392/2024, #2462/2025, and #1603/2026 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.

Copyright & AI – Senate Bill # 2338/2023 aims to create a General AI Framework that allows the use of copyrighted material for AI training, including through a text-and-data-mining (TDM) exception, as well as output labeling obligations. Any TDM 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. MPA cautions against rushed changes to the copyright framework in Brazil, which is well-equipped to accommodate the development of new technologies such as generative AI.

Standard Essential Patents – Standard Essential Patents are becoming an increasingly important topic in Brazil, with a record number of patent lawsuits brought by patent holders against video streaming companies. Most cases are before the Rio de Janeiro State Courts, which have freely granted injunctions against implementers before a full trial on the merits. In many cases, the courts have ordered a shutdown of relevant services within 24 hours or weeks in the country. The matter is also being discussed before the Brazilian antitrust authority, with at least two ongoing cases, and the completion of a significant study.

MARKET ACCESS ISSUES

Non-Canadian Streaming Services Obligations – The Online Streaming Act (OSA) received Royal Assent in 2023. As a result, the Canadian Radio-television and Telecommunications Commission (CRTC) has sweeping powers to regulate non-Canadian streaming services. These powers include the ability to issue orders or regulations that would impose financial, discoverability, prominence and reporting obligations to support Canadian programs (which are defined by the CRTC) and the Canadian broadcasting system. As part of its regulatory plan to implement the OSA, the CRTC issued a decision and individual “base contribution” orders in 2024 that require foreign streaming services with C\$25 million or more in annual Canadian broadcasting revenues to pay five percent of their previous year’s annual Canadian broadcasting revenues to certain funds. This includes streaming services with less than C\$25 million in annual Canadian gross broadcasting revenues but that are part of a broadcasting ownership group that reaches the C\$25 million threshold in the aggregate. Notably, 1.5 percent of this “base contribution” is to be paid to a local news production fund, even though foreign streamers do not produce or make available Canadian news content.

Base contribution payments are due every August 31, commencing August 31, 2025. Certain aspects of the CRTC’s “base contribution” decision and orders are currently under appeal. The base contribution orders requiring payment of five percent of a streaming services’ gross revenues to be able to operate in Canada require U.S. and other foreign streaming services to: (I) pay while exempting the major competing Canadian streaming services from the same requirement; (II) pay into a Canadian local news fund despite the fact that they do not produce local news, and this obligation does not exist for Canadian companies that do not produce local news; and (III) pay into government-approved production funds that only benefit Canadian companies. These provisions constitute blatant discrimination against U.S. companies and grossly distort streaming markets in ways that undermine American offerings and shortchange Canadian audiences.

The CRTC subsequently issued a decision on May 21, 2026, that would require foreign streaming services earning C\$25 million or more in annual Canadian broadcasting revenues, either individually or as a broadcasting ownership group (as applicable), to invest 15 percent of their previous year’s annual Canadian broadcasting revenues into “Canadian programming expenditures (CPEs).” This includes the five percent base contribution requirement, which would have to be entirely dedicated to third-party funds.

Forty-five percent of the 15 percent local content investment obligation would have to be allocated to Canadian programs in which a Canadian broadcaster or Canadian independent producer owns at least 50 percent of the copyright. In addition, this is keyed to a narrow definition of what constitutes a “Canadian program” following a November 2025 decision by the CRTC. This restrictive definition imposes rigid rules around the citizenship of the key creative positions in the production of Canadian film, television, and streaming content. Such heavy-handed intervention by government into creative decision making is out of step with global practices and penalizes U.S. businesses.

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Under these regulatory obligations, the Canadian government will essentially dictate to U.S. companies what is produced, under which deal terms, and how it is presented on screens, while giving preferential treatment and access to Canadian content.

The Government of Canada announced on June 3, 2026, that it will issue a future policy direction instructing the CRTC to review its May 21, 2026, decisions and “adjust” the CRTC’s implementation of the OSA based on “clear objectives,” including affordability, consumer choice, flexibility, and support for the cultural sector. The Government also announced that it will spend C\$600 million annually to support the Canadian cultural sector to ensure it receives the financial support it would otherwise have had because of the CRTC decisions.

In a July 17, 2026, letter to the Federal Court of Appeal, which stayed the payment obligations made pursuant to the CRTC’s base contribution decision and orders, the Attorney General of Canada indicated that “the Government’s intention is to eliminate the base contribution requirement on streaming services and to provide government funding to replace those contributions.” However, until formal steps are taken by the Government of Canada to implement that policy, the CRTC’s decisions remain in place, including the financial mandates, and the definition of Canadian program.

The OSA is inconsistent with USMCA, and the Government of Canada should ensure that the CRTC’s implementation of the OSA does not impose undue burdens or obligations on foreign streaming services. Rectifying these issues can in-part be achieved by the CRTC revoking its base contribution orders that require foreign streaming services to pay five percent of their previous year’s annual Canadian gross broadcasting revenues to local production funds, preventing the CRTC from imposing an additional 10 percent (for a total 15 percent) CPE requirement, requiring the CRTC to revise its definition of a “Canadian program” (with respect to both intellectual property ownership and key creative positions), and limiting the CRTC’s ability to impose conditions on foreign streaming services on the “discoverability” and prominence of Canadian programs on their services. In addition, the CRTC should be prevented from imposing any additional financial contributions and other onerous regulatory requirements on foreign streaming services.

Quebec Bill 109 – An Act Respecting the discoverability of French-language cultural content in the digital environment received Royal Assent in December 2025. This Act: (I) provides that the Quebec government may, by regulation, define obligations applicable to online platforms (notably, the online streaming services operated by MPA members), including establishing the quantity and proportion of French-language cultural content; and (II) creates a new quasi-constitutional right to discoverability that provides for a private right of action against online platforms.

Television Content Quotas – The CRTC imposes two types of quotas that determine both the minimum 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.

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Large English-language private broadcaster groups currently have a CPE obligation equal to 30 percent of the group's previous year's gross revenues, generated from their conventional and discretionary services (specialty and pay-TV) combined. The CRTC's May 2026 decision proposes to amend this to 25 percent for those Canadian broadcasters earning C\$25 million or more in annual Canadian broadcasting revenues, either individually or as a broadcasting ownership group (as applicable). As noted above, CRTC's May 2026 decision also proposes to impose a 15 percent CPE obligation on foreign streaming services. The May 2026 decision proposes to eliminate CPE obligations for Canadian broadcasters earning less than C\$25 million in annual Canadian broadcasting revenues (either individually or as a broadcasting ownership group as applicable), effectively shifting this burden to foreign streaming services.

As directed by the Exhibition Quota, private conventional broadcasters must exhibit no less than 50 percent Canadian programming from six p.m. to midnight. Private English-language discretionary services (specialty and pay-TV) must exhibit no less than 35 percent 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 C\$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) approved 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

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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: (I) a licensee’s CEO must be Canadian; (II) at least 80 percent of a licensee’s Directors must be Canadian; and, (III) at least 80 percent 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 percent of the voting shares and votes, the CEO of the parent company is non-Canadian, or less than 80 percent 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.

Bill C-36 – The Protecting Privacy and Consumer Data Act (Bill C-36) was introduced in June 2026, changing Canada’s federal privacy law to require express, opt-in consent for the collection, use or disclosure of personal information subject to limited exceptions. Under the new law, express, opt-in consent will be required for any data processing that aims to influence decisions or behaviors regardless of the actual impact on a person. This imposes the same requirements for personalized content recommendations or ads as for data to be used for profiling in employment services - two very different risk tiers - and will make it very challenging to provide personalized content recommendations or advertising-supported services in the market. Additionally, the bill’s definition of personal information includes inferred data. This will create challenges for AI model training in Canada, which often relies on data inference.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

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 streaming services). Canadian operators are also actively engaged in the theft of telecommunication signals, thereby acting as the sources of content

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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 streaming 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, aspects of the legal framework do not provide appropriate legal incentives for intermediaries to cooperate with rights holders in deterring piracy. The framework also provides broad exceptions to copyright that remain untested.

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 such as infringing IPTV/streaming services. While there has recently been encouraging law enforcement actions, ongoing education of crown prosecutors is key to ensuring Canada stays ahead of emerging piracy business models. However, issues surrounding a lack of resources concerning law enforcement and crown counsel awareness of the applicable laws remain the same.

MEXICO

MARKET ACCESS BARRIERS

Advertising on Broadcast and Pay-TV Services – Mexico applies unfavorable advertising limits to U.S. pay-TV providers, in sharp contrast to the rules governing the country’s free-to-air broadcasters. Pay-TV channels, which are primarily foreign-operated, must comply with both daily and hourly advertising caps, while free-to-air channels, whose ownership must remain majority domestic by law, are permitted nearly double the daily advertising allowance and face no hourly restriction.

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

Theatrical Screen Quota – In 2026, Mexico enacted the Federal Film and Audiovisual Law, which replaced the former Federal Cinematography Law. The law includes screen quota requirements for theatrical distribution and is intended to promote Mexican cinematographic and audiovisual works.

Streaming Regulations – Legislative and regulatory discussions continue around prominence, availability, and promotion of local content. The new Federal Film and Audiovisual Law include prominence requirements, raising USMCA consistency concerns. Further, a preliminary draft amendment to Norma Oficial Mexicana (NOM)-184-SCFI-2018, a consumer protection standard for telecommunications services, would be made to extend to streaming platforms. The concern is the draft would require a local presence and, more broadly, would establish a regime that undermines the cross-border supply of digital services into Mexican territory. This also raises USMCA consistency concerns. Additionally, streaming services already comply with the Federal Consumer Protection Law and inclusion in scope creates regulatory redundancy. Streaming platforms should be excluded from NOM-184’s scope.

Judicial Reform – The government is implementing the judicial reform launched in 2024. MPA is concerned that the new system could weaken institutional safeguards essential to an independent judiciary and the rule of law and urges Mexican authorities to ensure that the reform’s implementation fully protects due process, access to justice, legal certainty, and the effective enforcement of intellectual property rights.

INTELLECTUAL PROPERTY PROTECTION

Enforcement

Internet Piracy – Online piracy is a serious, widespread problem in Mexico. Illegal streaming devices (ISDs) and apps are increasingly prevalent in Mexico’s electronic hardware gray markets, indicating growing preference for this form of illegal consumption. While there are some local

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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 recent MPA data, the second-most-visited video-on-demand website for Mexican consumers for content of any provenance is an illegal content site.

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. Mexican authorities would also benefit from capacity-building programs to demonstrate how digital piracy operates in practice, how it is often driven by organized crime, and to determine the most effective manner to initiate infringement actions.

The Mexican Institute of Industrial Property has initiated, at the request of rights holders, site-blocking actions against illegal websites; however, the procedure remains subject to numerous formalities that make effective enforcement difficult, and certain internet service providers have challenged the authority's site-blocking measures through amparo proceedings. The legality of those actions will ultimately be subject to review by Mexico's Supreme Court of Justice.

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. This measure aims to register, classify, and document the traditional cultural expressions (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. Even where a user obtains authorization from one community, another neighboring community or people may subsequently claim ownership over the same cultural heritage, effectively suspending or nullifying the prior authorization until the Indigenous communities involved reach an agreement. This creates uncertainty and a chilling effect on any project that may involve TCEs particularly due to the lack of a clear and workable authorization mechanism. The proposed new law seeks to address these concerns by providing greater clarity and incorporating exceptions and limitations based on freedom of expression and creative freedom, which, if adopted as drafted, would significantly improve the current framework.

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. At the same time, a new General Law on the Rights of Indigenous and Afro-Mexican Peoples is undergoing a consultation process. This forthcoming legislation is expected to significantly reshape the regulatory framework.

In 2024, the Senate approved the presidential constitutional amendment to Article 2 on Indigenous

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Communities, which establishes TCE protection as a right and expressly establishes that Indigenous people hold collective intellectual property rights over their TCEs. There is some concern regarding implementation because broad consent requirements without clear exceptions could be applied to restrict freedom of expression and creativity, a concern that has already arisen at the local level. Meanwhile, the combination of the constitutional reform and the 2022 Law leaves the applicable rules unsettled, which weighs on audiovisual investment decisions and could engender unintended consequences. The U.S. Government should encourage Mexican authorities to implement TCE reforms with transparency, legal clarity, and in alignment with Mexico's USMCA commitments.

USMCA Implementation – Mexico is advancing legislative and regulatory reforms to comply with its USMCA obligations. This includes amendments to the Copyright Act to establish secondary liability for online infringement and a USMCA-consistent notice-and-takedown mechanism. These initiatives are particularly important for the audiovisual sector and would mark significant steps toward more effective online enforcement. The Government has also introduced a bill to amend the Federal Criminal Code and the Federal Law for the Protection of Industrial Property to implement a series of welcome reforms. These include a commercial scale standard in line with USMCA, customs reforms, raising criminal and administrative penalties, and adding a damage regime with optional statutory indemnification. It carries the same standard into the LFPPI and helpfully repeals the technical opinion previously required before prosecutors could act.