Article IV
Special Provisions relating to Cinematograph Films

If any contracting party establishes or maintains internal quantitative regulations relating to exposed cinematograph films, such regulations shall take the form of screen quotas which shall conform to the following requirements:

(a) Screen quotas may require the exhibition of cinematograph films of national origin during a specified minimum proportion of the total screen time actually utilized, over a specified period of not less than one year, in the commercial exhibition of all films of whatever origin, and shall be computed on the basis of screen time per theatre per year or the equivalent thereof;

(b) With the exception of screen time reserved for films of national origin under a screen quota, screen time including that released by administrative action from screen time reserved for films of national origin, shall not be allocated formally or in effect among sources of supply;

(c) Notwithstanding the provisions of subparagraph (b) of this Article, any contracting party may maintain screen quotas conforming to the requirements of subparagraph (a) of this Article which reserve a minimum proportion of screen time for films of a specified origin other than that of the contracting party imposing such screen quotas; Provided that no such minimum proportion of screen time shall be increased above the level in effect on April 10, 1947;

(d) Screen quotas shall be subject to negotiation for their limitation, liberalization or elimination.

Bibliography


Case Law


Documents

The heading of Art. IV, “Special Provisions relating to Cinematograph Films”, reveals that the rules contained in this article are of a special nature in that, contrary to most articles of GATT, they deal with a particular item only. They also deal with a particular type of national policy, namely regulations favouring the domestic film industry. It is therefore no surprise that Art. IV has given rise to significant controversy over its interpretation. None of these points of contention has so far been resolved authoritatively, whether by the GATT CONTRACTING PARTIES, the WTO membership, or in dispute settlement by a panel or the Appellate Body.

The following section B clarifies issues of definition and the scope of application of Art. IV, in particular in relation to television. It will also explain the difference between trade in films within the meaning of Art. IV and trade in goods/products as is normally the subject of GATT rules. Section C deals with the nature of Art. IV, specifically whether it is an obligation or an exception, the burden of proof and the applicability of Art. XX GATT 1994. Sections D to G then explain the stipulations of Art. IV themselves, addressing in turn the introductory sentence and the four paragraphs of Art. IV. Section H sheds light on the relationship of Art. IV to other provisions in the GATT 1994 and other WTO agreements.