

### *Article 19: Special Provisions relating to Cinematograph Films*

This Article contains special provisions, as an exception to Article 18, relating to cinematograph films. It authorizes the use of screen quotas as a means of maintaining quantitative internal regulation of exposed cinematograph films, and thereby affording protection to local production. Within such quotas a specified minimum proportion of the total screen time for a period may require to be allocated to films of national origin, but not as between other sources of supply, except that a reservation may be made of a minimum proportion for films of a specified origin (other than that of the Member imposing the quotas) not exceeding the level in effect on 10th April, 1947. Screen quotas are subject to negotiation in the same manner as Customs duties. A note in Annex A to the Charter provides that the renter's quota in force in New Zealand is to be regarded as a screen quota for the purposes of Article 19. This provision enables the quota which has been provided for British films under the renter's quota procedure to be maintained in the same manner as if it had been a screen quota.

### SECTION B—QUANTITATIVE RESTRICTIONS

#### (Articles 20–24)

The objective of this Section is to limit the use of quantitative restrictions (other than those which may be specifically approved by the I.T.O. under Article 13) to certain special circumstances, and to ensure that when permitted they shall be employed as far as possible in a non-discriminatory way. This approach to quantitative restrictions is based on the belief that they are, of all forms of trade barriers, the most rigid, and that an unlimited right to use them could be abused. Countries, wanting to use quantitative restrictions, like them because they give such effective protection and are so easily varied to meet changing circumstances; and that is the very reason why other countries are so strongly opposed to them. It is recognized, however, that circumstances can arise in which quantitative restrictions may be the least evil of the available measures and may on balance serve a useful purpose. Many small or under-developed countries wished the Charter to contain a presumption in favour of the use of quantitative restrictions for development purposes; others, mainly countries which are more developed, wished to see a strong presumption against quantitative restrictions, claiming that a general use of restrictions would be damaging to world trade, production, and living standards.

As might be expected, the provisions of the Charter are a compromise and the text indicates that quantitative restrictions are to be avoided as a matter of general policy, exceptions being allowed in a limited number of specified circumstances, and sometimes with the special approval of the Organization.