

**Mainland and Hong Kong Closer Economic Partnership Arrangement (Phase I)
Audio-visual Services**

Service	Measure
Videos, sound recording products distribution services	<ol style="list-style-type: none"> To allow Hong Kong service suppliers to provide, in the form of joint venture, videos and sound recording products (including motion picture products) distribution services in the Mainland^{Note 1}. To allow majority shareholding, not exceeding 70%, for Hong Kong service suppliers.
Cinema theatre services	<ol style="list-style-type: none"> To allow Hong Kong service suppliers to construct, renovate and operate cinema theatres on an equity joint venture or contractual joint venture basis. To allow majority shareholding, not exceeding 75%, for Hong Kong service suppliers.
Chinese language motion pictures and motion pictures jointly produced	<p><u>Chinese language motion pictures</u></p> <ol style="list-style-type: none"> Chinese language motion pictures produced in Hong Kong may be imported for distribution in the Mainland on a quota-free basis, after vetting and approval by the relevant Mainland authority. Chinese language motion pictures produced in Hong Kong refer to those motion pictures made by production companies which are set up or established in accordance with the relevant laws of the Hong Kong Special Administrative Region, and which own more than 75% of the copyright of the motion pictures concerned. Hong Kong residents should comprise more than 50% of the total principal personnel^{Note 2} in the motion pictures concerned. <p><u>Motion pictures jointly produced</u></p> <ol style="list-style-type: none"> Motion pictures jointly produced by Hong Kong and the Mainland are treated as Mainland motion pictures for the purpose of distribution in the Mainland. Translated versions of the motion pictures in languages of other Chinese ethnic groups and Chinese dialects, which are based on the Putonghua version, are allowed to be distributed in the Mainland.

Note 1 In undertaking distribution services in the Mainland in respect of videos and sound recording products, Hong Kong service suppliers should comply with the relevant laws, regulations and requirements of the review system in the Mainland.

Note 2 Principal personnel includes personnel performing the roles of director, screenwriter, leading actor, leading actress, supporting actor, supporting actress, producer, cinematographer, editor, art director, costume designer, action choreographer, and composer of the original film score.

	<p>4. For motion pictures jointly produced by Hong Kong and the Mainland, there is no restriction on the percentage of principal creative personnel^{Note 3} from Hong Kong, but at least one-third of the leading artistes must be from the Mainland; there is no restriction on where the story takes place, but the plots or the leading characters must be related to the Mainland.</p>
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^{Note 3} Major creative personnel refers to personnel performing the roles of director, screenwriter, cinematographer and leading artistes. Leading artistes refer to leading actor, leading actress, leading supporting actor and leading supporting actress.

Mainland and Hong Kong Closer Economic Partnership Arrangement (Phase II)
Audio-visual Services

Service	Measure
Videos, sound recording products distribution services	To allow Hong Kong service suppliers to construct or renovate cinema theatres for the operation of film screening business on a wholly-owned basis.
Chinese language motion pictures and motion pictures jointly produced	<ol style="list-style-type: none"> 1. To allow motion pictures co-produced by Hong Kong and the Mainland to be processed outside the Mainland after obtaining the approval of the relevant authorities in the Mainland. 2. To allow Hong Kong service suppliers to establish wholly owned companies in the Mainland on a pilot basis to engage in the distribution of Mainland produced motion pictures after obtaining the approval of the relevant authorities in the Mainland.
Technical service of cable television	To allow Hong Kong companies engaging in the operation of cable television network to provide professional technical services for cable television networks of Guangdong Province on a pilot basis after obtaining the approval of the relevant Mainland authorities.
Jointly produced television dramas	Television dramas co-produced by the Mainland and Hong Kong are permitted to be broadcast and distributed in the same way as Mainland produced television dramas after being examined by the relevant Mainland authorities.

Mainland and Hong Kong Closer Economic Partnership Arrangement (Phase III)
Audio-visual Services

Service	Measure
Cinema theatre services	Hong Kong service suppliers are permitted to establish wholly-owned companies in the Mainland, each of which may construct or renovate more than one cinema theatre at more than one location for the operation of film screening business.
Chinese language motion pictures and motion pictures jointly produced	<p><u>Chinese language motion pictures</u></p> <ol style="list-style-type: none"> 1. The import of Chinese language motion pictures made by production companies which are set up in accordance with the relevant laws of the Hong Kong Special Administrative Region and own more than 50% of the copyright of the motion pictures concerned is exempted from quota restrictions for distribution in the Mainland^{Note}, after being examined by and obtaining the approval of the relevant authorities in the Mainland. 2. The Cantonese version of motion pictures produced by Hong Kong and solely imported by the Film Import and Export Corporation of the China Film Group Corporation is permitted to be distributed and screened in Guangdong Province, after being examined by and obtaining the approval of the relevant authorities in the Mainland. <p><u>Motion pictures jointly produced</u></p> <ol style="list-style-type: none"> 3. The Cantonese version of motion pictures co-produced by Hong Kong and the Mainland is permitted to be distributed and screened in Guangdong Province, after obtaining the approval of the relevant authorities in the Mainland.
Jointly produced television dramas	Television dramas co-produced by the Mainland and Hong Kong should be subject to the same standard on the number of episodes as that applicable to Mainland domestically-produced television dramas.

^{Note} Hong Kong residents should comprise more than 50% of the principal personnel in the motion pictures concerned.