

China to appeal WTO ruling on book, movie imports

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BEIJING -- China will appeal a World Trade Organization ruling that ordered it to ease restrictions on imports of movies, music and books in a case brought by Washington, a Commerce Ministry spokesman said Monday.

"We are actively preparing the documents to appeal," spokesman Yao Jian said at a news conference. Yao gave no details of the grounds for appeal but the government last week denied that it obstructed imports.

The appeal will be filed within two months in line with WTO rules, Yao said.

A WTO panel concluded Wednesday that Beijing is violating its free-trade commitments by forcing imported media products to be routed through Chinese state-owned companies.

The WTO said Beijing should allow foreign companies to import and distribute master copies of books, magazines and newspapers and to receive the same conditions and charges as Chinese companies for distributing reading materials.

The Commerce Ministry last week expressed regret at the ruling and said China's import channels for media products "are completely unimpeded."

"Chinese cultural products have a big deficit in global trade and their competitiveness is low," Yao said. "So we took measures that fit the Chinese economy and historical cultural tradition."

The case is sensitive for Beijing because the communist government sees its control over content of movies, music, books and other media as a tool to protect its political power. The government is trying to build up China's state-owned film studios and other media to promote the ruling party's views at home and abroad.

The dispute is one of a series between the United States and China, the world's largest and third-largest economies, over access to each other's markets for goods ranging from tires to poultry. The United States is the world's biggest exporter of movies, pop music and other cultural goods and sees increased sales as a way to narrow its multibillion-dollar trade deficit with China.

Foreign movies, music and other cultural products are popular in China's fast-growing media market. Suppliers face intense competition from China's thriving black market in unlicensed copies and some complain that Beijing is boosting demand for pirated products by limiting access to legitimate goods.

