

# Preferential Treatment



# Preferential Treatment

“ Strong policies, capacities and domestic markets are essential for benefiting from preferential treatment, accessing international markets and increasing and diversifying exports. They are also needed for developing countries to negotiate trade commitments that are not detrimental to their cultural goods and services. ”

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Director of Art Moves Africa



United Nations  
Educational, Scientific and  
Cultural Organization



Diversity of  
Cultural Expressions



Sustainable  
Development  
Goals



The 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions calls for **innovative approaches** to international cooperation by promoting equitable access, openness and balance in the flow of cultural goods and services, and greater mobility for artists and other cultural professionals from developing countries. The goal is not to attain parity in the trade of cultural goods and services but dynamic and balanced exchanges.

**Preferential treatment** is an advantage granted by a State to another State or group of States, without a condition of reciprocity

The 2005 Convention is a cooperation framework that protects and promotes diversity within and across borders, while addressing the **specific challenges faced by developing countries**

It calls for facilitated access for cultural goods and services and artists from developing countries to markets in developed countries

It enables countries involved in cultural exchanges to develop and implement public policies that protect and promote the diversity of cultural expressions

Developed countries shall facilitate cultural exchanges with developing countries by granting, through the appropriate institutional and legal frameworks, preferential treatment to artists and other cultural professionals and practitioners, as well as cultural goods and services from developing countries.

(2005 Convention, Article 16 - Preferential treatment for developing countries)

## Special and differential treatment for developing countries in the 2030 Agenda



**8.a** Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries



**10.a** Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements



**17.11** Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

## Monitoring preferential treatment with the 2005 Convention

Expected results

National policies and measures, including preferential treatment, facilitate a balanced flow of cultural goods and services and promote the mobility of artists and cultural professionals around the world

Areas of monitoring

**Mobility of artists and cultural professionals**

**Flow of cultural goods and services**

**Treaties and agreements**

Core indicators

Policies and measures support the outward and inward mobility of artists and cultural professionals

Policies and measures support balanced international flows of cultural goods and services

Trade and investment agreements refer to the Convention or implement its objectives

Operational programmes support the mobility of artists and cultural professionals, notably from developing countries

Information systems evaluate international flows of cultural goods and services

Other agreements, declarations, recommendations and resolutions refer to the Convention or implement its objectives



# Preferential Treatment in Action: complementary but different from development aid

➤ **Preferential treatment can have a trade dimension, a cultural dimension or both at the same time!**

A film co-production agreement is a form of preferential treatment that addresses both the trade and cultural dimensions, providing commercial benefits while facilitating the flow of works and the mobility of artists and cultural professionals

## Pick and choose from at least 14 types of preferential treatment measures

1. Co-production agreements
2. Aid for production/post-production
3. Aid for distribution/broadcasting/screening
4. Aid for translation/subtitling
5. Fiscal measures
6. Festivals and other cultural events
7. Training
8. Encounters and networking
9. Support for civil society
10. Funds from public cultural bodies for mobility
11. Facilities for entering a territory
12. Artist residencies
13. Awards and other forms of recognition
14. Support for international initiatives

## Grant preferential treatment to culture in free-trade agreements

- Attach a cultural cooperation protocol
- Include clauses in the text of the agreement specifically aimed at facilitating the flow of cultural goods or services, or the mobility of artists and cultural professionals from developing countries

### Did you know?

Granting preferential treatment through trade commitments may be compatible with WTO agreements. For example, within the framework of a free trade agreement covering the bulk of trade between signatories, granting advantages is allowed under the General Agreement on Tariffs and Trade (GATT) and the General Agreement on Trade in Services (GATS).

### Are you a Party to the 2005 Convention in the process of negotiating a new trade agreement? Invoke the 2005 Convention to:

- Request commitments that facilitate access for your cultural goods and services, as well as for your artists and cultural professionals, in your partners' territory(ies)
- Insert appropriate cultural clauses to sustain policy support for your creative sectors

## LITPROM

LITPROM is a non-profit agency financially supported by the Government of Germany. Created in 1980 by a network of cultural professionals and development aid organisations, LITPROM aims to introduce and disseminate foreign literature, specifically from African, Asian, Latin American and Arab States. Active in three German-speaking countries (Germany, Austria, Switzerland), LITPROM is a privileged partner for authors/publishers from developing countries that facilitates their access to the network of German publishing houses.

## The European Union Approach

A Protocol on Cultural Cooperation is attached to the CARIFORUM-European Union Economic Partnership Agreement (2008), an innovative cooperation scheme to implement preferential treatment measures. EPA features include asymmetrical commitments by the EU: market access commitments in entertainment services, facilitation of entry and temporary stays for artists and other cultural professionals from CARIFORUM countries in EU countries, 'European work' qualification with all resulting benefits granted to co-produced audiovisual works.

## Arts Across Canada Programme

The Foreign Artist Tours component of Arts Across Canada supports Canadian not-for-profit arts organizations in the circulation of exhibitions or tours by artists from around the world. To be eligible, Canadian arts organization must schedule at least two cultural events for foreign works or artists in two different places in Canada. The maximum grant is CA\$ 75,000 and it covers travel, accommodation and a daily subsistence allowance for the foreign artist, as well as equipment transportation costs. Although not specifically targeted at artists from developing countries, it is clearly of particular interest to those with limited resources.

# Preferential treatment checklist

## Five conditions

- Be granted by a developed country
- Benefit developing countries
- Facilitate cultural exchanges
- Relate to cultural goods, services and/ or artists or cultural professionals from developing countries
- Not require reciprocity

## Granting preferential treatment in the digital age

Digital technologies can facilitate the distribution of cultural contents from developing countries. A new generation of trade and investment agreements contain binding commitments to liberalize e-commerce. Such commitments may limit a country's ability to introduce policies that support artists, cultural goods and services. Relevant provisions of the 2005 Convention may be evoked in order to advocate for the recognition of their specificity, *including* in the digital environment.



### UNESCO-Aschberg Programme for Artists and Cultural Professionals

The UNESCO-Aschberg Programme for Artists and Cultural Professionals is a multi-donor programme designed to support the goals of the 2005 Convention mainly in the areas of preferential treatment and artistic freedom. The programme combines research, training and on-demand support.

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