

## Taiwan Pushes to Reform Radio Spectrum

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With a historic background of complex interests among individuals and political groups, Taiwan's underground radio stations have illegally occupied certain airwave bands for decades, often for illegal and hazardous purposes such as selling fake pharmaceutical products or fraudulent financial services. On August 8, 2004, the Government Information Office ("GIO") and the Ministry of Transportation and Communications ("MOTC") jointly issued an ambitious broadcast policy named "Re-map Frequency Modulation (FM) Radio Spectrum Bands," in order to restructure the current chaotic airwave environment, promote sustainable development of broadcasting industry and provide for a smooth transition of broadcast from analog to digital. The future of the re-mapping policy may be somewhat uncertain, because its chief proponent, Lin Chia-lung, the former Director of GIO, declared his resignation on March 1, 2005, to devote his time to the campaign for Taichung Mayor; however, Lin said that the policy will remain unchanged and will be implemented by his successor.

According to the GIO's initial policy as referenced above, public radio stations such as the Police Radio Station, National Education Radio and Voice of Han Broadcasting Network will be consolidated into one public broadcast group located within the band from FM104.4 to FM108, to provide four different services broadcast nationwide. The following chart shows the detailed frequency allocation areas:

Frequencies	FM88.1~91 MHz	FM91~104 MHz	FM104~104.3 MHz	FM104.4~108 MHz
Broadcasters	Low-power stations (current underground stations to be allocated)	Commercial radio stations with medium power	Private high-power stations for non-profit service without broadcasting ads	The Public Broadcast Group (High power)

The restructuring process has been divided into three stages, to be completed by the end of 2005:

- The first stage was to adjust the airwave bands of radio stations with medium and low transmission powers. Underground radio stations started applying for operation licenses from October 1, 2004.
- In the second stage, high-power radio stations had to return some of their frequencies, moved channels and reduced their coverage area.
- In the final stage, all radio stations with medium or low transmission power must complete moving their channels within the adequate area by the end of March in 2005. The GIO hopes to eradicate all pirate radio stations by the end of 2005.

Since the re-mapping policy was unveiled, the opposition party, Chinese Nationalist Party (KMT), has constantly challenged the GIO's attempts to crack down on illegal radio stations that have a pro-unification tinge, such as the KMT-run Broadcasting Corporation of China (BCC). In addition, the Control Yuan issued a correction order to the GIO on January 13, 2005 for failing to close down a large number of underground radio stations and for violating the principle of parity when imposing different standards to license-renewal application from different radio stations, in particular accusing it of nitpicking when reviewing an application from the BCC. Those events produced a lot of controversies concerning the entire broadcast policy and blurred the core purpose of reorganizing the radio spectrum bands.

After overhauling the broadcast policy, the GIO and MOTC spelled out a detailed plan of re-mapping radio spectrum bands, the so-called "legalize the underground radio stations" on January 31, 2005. The main purpose of the plan is to resolve deep-rooted problems and establish a new order for the broadcast industry in line with the various voices calling out for reform. Based on the planning principles of balance, order and efficiency, the blueprint for creating a future for the broadcast industry can be illustrated as follows:

**1. Create 'optimal scale' regulation on numbers of radio stations**

The number of nationwide private FM radio stations, measured by medium-power radio stations, should not be greater than 200 stations

**2. Distribute reasonable radio stations by type**

The ratio of spectrum access of private low-power, private medium-power and high-power for public service network and non-profit nature should be about 1:3:1.

**3. Create the business of private radio stations**

The authorities will adopt the following measures: (1) deregulate the operation of joint broadcasting, (2) permit approved medium-power broadcasters to expand their business scope to operate sub-stations, (3) permit medium-power radio stations

participating in the station collocation project led by the government to broaden their service areas within a radius of 30 kilometers.

4. **Improve order of the airwave and reduce radio interference**

Restructure the spectrum order and effectively regulate the airwave; eliminate radio frequency interferences; protect the aviation safety; provide quality broadcast to listeners.

5. **Map out bands for public service, minorities and emergencies**

Integrate the broadcasting resources of public radio stations and strengthen services for minorities by public service; provide uninterrupted power service to balance the disadvantage of over-commercialized media when act-of-God or emergency events occur.

6. **Fulfill the aim of 'access to media' and assist the development of communities**

Carry out the objectives of access to media and community broadcasting service and draw up low-power bands for zealous broadcasters to apply, so as to conform to reasonable allocation of broadcasting resources and promote the development of broadcasting with local characteristics.

7. **Promote station collocation for efficient use of land and hardware resources**

Establish the mechanism of station collocation in order to merge the benefits of resources of hardware and lands, resolve issues of highly concentrated stations and the resulting interference, and enlarge the service area of each station.

8. **Keep pace with the digital age**

In order to keep pace with broadcast development and the coming of digital age, the government will provide the measures of joint analog broadcasting and establishment of sub-stations in accordance with the nationwide network of digital broadcasting plan and economic scope of large business areas, and the broadcasters may enlarge the business scope.

After clearing up the disordered spectrum, the DGT, on February 24, 2005, announced its intention to release 26 low-power and 49 medium-power station licenses; however, the high-power stations for nationwide broadcasting will not be opened. The GIO has released radio frequencies 10 times and issued 151 FM station licenses before. This time will be the last time to apply for radio station licenses and the detailed procedure will be announced in mid-March. Applicants for radio stations will be divided into the following four types:

- Each applicant who did not have a radio license before shall apply for low-power radio station license.
- Each applicant who did not have a radio license before shall apply for

medium-power radio station license.

- Any existing legal low-power radio station is encouraged to merge with other stations and apply for medium-power radio station license.
- The existing medium-power radio station is encouraged to set up sub-stations.

To further the policy of legalization of underground radio stations, any underground station that meets certain requirements of the GIO and MOTC, as referenced below, may be awarded credits in applying for radio station licenses:

- The applicant who integrate over five underground radio stations.
- The applicant who applied for radio station license but failed.
- The founder of the station contains a senior program anchorperson with 20-years experience.

To be sure, some entities will suffer during the period of airwave adjustment but the policy is widely expected to lead to a positive development of the broadcast industry in the long run. Issuance of radio licenses has always been a political issue worldwide. But, if the authorities fail to follow the existing rules when implementing the licensing matters, more critical disputes will arise even more serious than closing down of the underground radio stations.

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