

Telecommunications - Taiwan

Ban on cross-strait submarine cables lifted

Contributed by [Shay & Partners](#)

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On September 13 2010 the Ministry of Transportation and Communications announced that Taiwan's government plans to allow the direct connection of submarine cables between Taiwan and China due to the frequent interaction across the straits. As the regulator of the telecommunications industry, the National Communications Commission (NCC) approves of the decision to remove geographic limitations from the market for cross-strait submarine cables in compliance with the existing operational procedures for international submarine cable deployment.

Under the existing legal constraints, Taiwanese submarine cable operators must cooperate with third parties in order to use routes which bypass China. However, this mode of cross-strait communication is not the best solution in terms of cost and technology. Commentators believe that the ministry has lifted the ban on cross-strait cables in order to meet the demands of the people. However, the Taiwanese government retains certain restrictions on mutual investment between the cross-strait fixed-network operators. Thus, the joint investment of cross-strait operators in constructing submarine cables will not involve mutual investment concerning respective shares.

On September 21 2010 the NCC drafted amendments to the Regulations Governing the Fixed-Network Telecommunications Businesses in order to implement the new policy on cross-strait cables. The NCC will soon hold public hearings to solicit public opinion and will complete the relevant legal matters in two to three months. Among other things, the amendments relate to:

- the method of connecting telecommunications networks between cross-strait operators;
- the construction procedure for establishing direct communications according to governmental regulation;
- information security management for telecommunications operators; and
- the direct deployment by international leased circuit operators.

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