

NCC bans Chinese OTT TV services

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On 17 June 2020 the National Communications Commission (NCC) issued a notice of alert to all licence holders (including terrestrial TV channels, radio stations, satellite TV channels, cable TV channels and telecoms operators) which demands that they stop carrying ads, promotions or sponsorship for Chinese over-the-top (OTT) TV services, specifically We TV and Iqiyi, and requires compliance with bans on Chinese OTT TV services under the governing law administered by the Mainland Affairs Council.

While the official OTT TV regulation has yet to be clarified (for more detail please see "[NCC plans for enactment of OTT regulation](#)", "[New measures to regulate OTT service providers](#)", and "[Cable TV operators battle media on demand](#)"), the NCC and relevant government agencies reached a consensus in May 2020 on measures to be taken on Chinese OTT TV service providers which circumvent existing rules set out in relation to the border control of services originating from China.

A survey commissioned by the NCC in July 2019 revealed that 45.1% of Taiwanese TV viewers interviewed had used OTT TV services, which outnumbered the 30.8% in 2017 and 37.6% in 2018. Paid subscription services accounted for 20% of the above users. Another survey carried out by the private sector in December 2019 suggested that Iqiyi alone enjoyed a 41% market share next to YouTube. This partly explains the NCC's recent follow up and responds to complaints filed by licensed pay TV operators.

Non-compliance could result in an administrative fine of between NTS100,000 and NTS500,000 under Article 89 of the Act Governing Relations between the People of Taiwan and Mainland China plus another fine of between NTS200,000 and NTS2 million under Article 55 of the Satellite Broadcasting Act.

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