

TECH, DATA, TELECOMS & MEDIA - TAIWAN

Taiwan accelerates ban on Chinese OTT TV services

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The Taiwanese government has accelerated its ban on Chinese over-the-top (OTT) TV services in Taiwan. As of 3 September 2020, no entities, legal persons or individuals in Taiwan may act as business agents, carry out resales or provide intermediary services for Chinese OTT TV services. Non-compliance with the ban could result in an administrative fine of NT\$50,000 to NT\$5 million per case under Article 86 of the Act Governing Relations of the People of Taiwan and Mainland China in addition to a cease and desist order from the National Communications Commission (NCC).

The Ministry of Economic Affairs coordinated with the NCC and on 18 August 2020 published the black list for mainland Chinese entities doing business in Taiwan, which extends the official ban on Chinese OTT TV services to all affiliate services, including agent, resale and intermediary services (eg, advertisement and promotion).

Prior to that, on 22 July 2020 the NCC published its draft bill of the OTT TV Act (for more details please see "NCC Bans Chinese OTT TV Services", "NCC Plans for Enactment of OTT Regulation" and "New measures to regulate OTT service providers") on its website for public comment. The new bill will give the NCC the power to ban illegal OTT TV services by prohibiting telecoms service providers from offering such services, including cloud, data centre, content distribution network and cache services.

Once the new executive order takes effect, it will force Chinese online video platform Iqiyi to cease its resale business, but will have no effect on WeTV, the OTT TV app distributed by Tencent on Google Play. To date, no regulation blocks access to illegal OTT TV services.

The draft OTT TV Act is expected to come into law at the beginning of 2021 at the earliest.

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