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Taiwan to introduce legislation to rein in big tech

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Big tech is soon to become a major target for new legislative proposals initiated by independent regulators and various ministries in Taiwan, in light of the passing of the Treasury Laws Amendment (News Media and Digital Platforms Mandatory Bargaining Code) Bill 2021 in Australia on 25 February 2021.

Following the development in Australia, Taiwanese press and content providers have been lobbying regulators to establish similar common-sense rules to prevent dominant digital platforms from abusing their market powers to harm competition, online businesses and consumers. In response, the Executive Yuan has announced a collective initiative to test the waters.

On 31 August 2021, the National Communications Commission (NCC) conducted an inquiry into markets for the supply of digital platform services that involved delegates of various agencies, including the Fair Trade Commission, the Ministry of Culture, the Ministry of Economic Affairs, the Ministry of Finance, the Ministry of Digital Development (to be established in 2021) and selected pressure groups and academics.

The NCC did not specify which digital platforms are to be regulated but clearly indicated that Google, Facebook and similar platforms will be forced to comply with the upcoming news media bargaining regulation. The regulation may be incorporated into the draft Digital Communications Act. It may also coordinate with upcoming legislation on the promotion of digital industry development by the proposed Ministry of Digital Development.

On 30 June 2021, the Fair Trade Commission (FTFC), an independent regulator of competition matters, appointed a special task force to investigate digital platform markets. Further to the FTFC's April 2021 enquiry on the subject of news media bargaining, the aim of the task force is to monitor actions taken internationally by respective competition authorities against Google, Facebook and other digital platforms.

The FTFC plans to reveal its initial findings by the end of 2021 in a white paper on the digital economy. On 4 October 2021, in response to the legislature's inquiry, May Lee, chairperson of the FTFC, said that Google had approached the FTFC to discuss pending issues. However, her office had not heard anything from Facebook.

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