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[Sci-tech Policy] CATV Reform Bill Will Allow for Cross-area Operation [Sci-tech Policy] CATV Reform Bill Will Allow for Cross-area Operation (Chinese Version)

RTI & The Liberty Times (2010/04/02) National Communications Commission (NCC) announced the draft of the Cable Radio and Television Reform Bill on April 2, which is about to change the present operation situation of the cable television systems. NCC indicated, the reform bill will break the regional monopoly and allow the system operators to run their business in the other areas, accelerating the industry's fair competition.

NCC at an explanatory session about the reform bill on April 2, the NCC spokesman Jeng-Chang CHEN pointed out that Taiwan has 51 operation CATV areas while 60 system operators now; due to the restriction of regional operation, the operators cannot run the business in the other areas, and monopoly operations are very common. After the reformation, cross-area operation will be allowed, and the market will become one of free competition. Some voices expressed the worry that the reformation may put the present operators in danger of "being swallowed" once the regional protection policy is ceased. CHEN responded, after the new act, the CATV companies can choose to merge as well as remain the present operation strategy, and it is estimated that in the end three to four giant operators may become to exist in Taiwan in the future, which does not rule out the possibility as well that individual cable companies can still develop their own unique products and markets. NCC expects that after the reformation the cable television charge will decrease, while the service quality will be enhanced, which is considered as finer situation for the industry's development; it's going to become a thrice-win of the customers, the operators and the nation.

Also worth noting is that the reform bill asks for free broadcast of the programs of one wireless television channel among the present channels including PTV (Public Television), while authorization negotiations are required for the other channels. However, the operators by the bill cannot refuse to broadcast the programs of the other channels for incomplete of negotiation. Besides, the responsible agency for deliberating the communication rates is changed from the local government to NCC.

Furter Information:

RTI News 2010/04/02 (Chinese)

The Liberty Times 2010/04/02 (Chinese)

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