



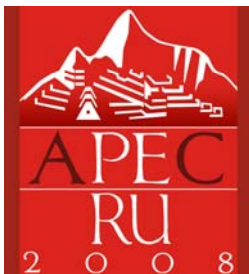
**Asia-Pacific
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Agenda Item: 7

Regulatory and Policy Update

Purpose: Information
Submitted by: Chinese Taipei



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APEC TEL 38
Regulatory and Policy Update
Chinese Taipei

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I. Update of Statistics

As of July 31, 2008, there were 13.21 million fixed telecommunication network subscribers in Chinese Taipei, indicating a penetration rate of 57.4 percent. In comparison, six months earlier on January 31, there were 13.28 million subscribers with a penetration rate of 57.80 percent. This demonstrates a decrease of approximately 70,000 subscribers over this six-month period, with the penetration rate lowering approximately 0.4 percent respectively.

In contrast, the number of mobile communication network subscribers (including 2G, PHS, and 3G mobile communications) stood at 24.78 million, indicating a penetration rate 107.07 percent, compared to the 24.35 million subscribers (ubiquity 106.1 percent) six months previous. This demonstrates an increase of approximately 430,000 subscribers, with the penetration rate increasing by 1.6 percent respectively.

For the twelve month period beginning July 31, 2007 the number of broadband internet accounts increased from 4.81 million to 4.96 million - representing an increase of 150,000.

II. Amendment of the Regulations

1. Regulations Governing Fixed Network Telecommunications Businesses amended

In order to facilitate broader competition, NCC amended certain articles of “Regulations Governing Fixed Network Telecommunications Businesses” on January 14 and June 12, 2008, respectively. Through the adjustment of relevant license conditions to the fixed network telecommunications business, and the deregulation of certain existing measures, the problem of last mile bottlenecks

can be overcome by new technologies which will in turn bring all citizens more reasonable telecommunication fees. The main emphasis on the amendments included reducing the applicant's requirements for each service, e.g. the minimum paid-in capital, the performance bond, the minimum construction scale, and the required capacity of phone lines. Meanwhile, the amount of minimum paid-in capital and the performance bond for existing telecommunication carriers have also been lowered.

2. NCC passed the amended draft of Administrative Rules on Satellite Communication Services.

Chinese Taipei announced the acceptance of applications for Satellite Communication Services on June 15, 1998. Until now, 11 satellite fixed communication service carriers provide satellite leased-circuit services, satellite program relay, etc. The valid time of their licenses will be due for renewal in the near future. Therefore, an NCC committee meeting on September 24, 2008 concluded by approving the amended draft on Article 25 of Administrative Rules on Satellite Communication Services. It regulates rules for the renewal of licenses owned by carriers.

3. NCC amended Administrative Rules for Network Interconnection between Telecommunications Carriers in order to promote the wider use of Voice over Internet Protocol.

NCC amended Administrative Rules for Network Interconnection between Telecommunications Carriers on August 5, 2008. Some rules relevant to communications between networks of dominant market players in the provision of local telephone services and mobile communication networks were added. The revenue and pricing are still categorized as belonging to mobile communication network businesses; this sustains a competitive environment in the present telecommunication market and enables better future development of the entire Internet telephony market.

4. The draft "Statute Governing Commercial Spam" has been established.

Due to commercial spam seriously impeding the efficiency of the internet and causing high costs in lost productivity, NCC established the draft Statute Governing Commercial Spam in July, 2008, in order to protect email users and service providers from this kind of invasion, harassment, and damage.

This statute adopts control measures over preparatory acts before emails are sent, adopts the modified opt-out with free reply system, and offers service providers the right to filter out spam under specific conditions etc. Furthermore, this statute grants class action organizations the right of information from service providers; the organization is also entitled to charge for the necessary expense in advance from the participants of the class action to ensure the class action system has sound footing.

5. NCC is expanding its project of “Broadband for Every Village” to remote tribes.

In succession to achieving the goals of the “Broadband for Every Village” project on December 25, 2007, NCC further announced on May 29, 2008, to expand the broadband infrastructure to off-shore islands and remote tribes in mountains.

After the project of “Broadband for Every Village” was completed in 2007, a few remote areas were still unable to connect to broadband, primarily due to telecommunication service providers being unable to establish lines over such geographical features. In order to narrow the digital gap between cities and rural areas, NCC amended and announced Universal Telecommunication Service Management Regulation in February, 2008, and appointed Chunghwa Telecom, Taiwan Fixed Network Company, and CTTV Company to provide universal service of data telecommunications connection to remote tribes. NCC expects that these measures will realize the goal of providing more remote areas with broadband services.

6. Promote Universal Service of Cable Television

NCC announced and amended Enforcement Directions of the Subsidy for the Universal Service Development of the Cable Radio and Television. It approved the subsidy for 8 applications of cable television companies and ratified the grant of NT\$ 20.24 million dollars. In total, 19 villages will benefit from it. NCC announced again on August 29, 2008, the relevant procedures of the application for the subsidy project of Universal Service Development of the Cable Radio and Television to system operators.

III、 **Information Security Improvement in Chinese Taipei**

1. Ensuring Trust and Confidence, role in government

In order to ensure execution of tasks regarding information and communications

security defense, and combine information and communications security organizations of both the public and private sectors, the National Information and Communications Security Taskforce was established in January, 2001.

To achieve the goal of constructing a comprehensive national information and communications security defense system, the National Information and Communication Security Taskforce initiated various projects, such as blueprints. The projects invariable consist of three main objectives: construct a complete information security defense system, evaluate information security incidents response capability, and establish the healthy development of information security.

We also established the Security Technology Service Center and Incident Response Center on March, 2001 with similar aims. In addition, both agencies established an Information and Communications Security Response Team that coordinates in view of establishing a protective capacity and trustworthy environment within public sectors.

2. Promoting a Safe and Trusted ICT environment for Digital Prosperity,

With society's increased reliance on the internet community, information and communications security defense has to be viewed from a broader more global perspective.

Information and communications security defense mechanisms can be established most effectively only when ubiquity concepts have been considered.

Under the National Information and Communication Security Taskforce, Chinese Taipei established TWNCERT (Taiwan National Computer Emergency Response Teams) and TWCERT (Taiwan Computer Emergency Response Teams), to increase awareness of the significance of information security incidents, and share details and analysis of security incidents with government units and private organizations.

To facilitate a Safe and Trusted ICT environment, we also encouraged continued sharing between APEC members of information, experience and practices on the protection of electronic information systems of essential infrastructure and services.

3. Enhancing Outreach Activities on Cyber Security,

We commended the TEL for its outreach and capacity building activities to facilitate the work of CERTs (Computer Emergency Response Teams) or CSIRTs (Computer Security Incident Response Teams), law enforcement officials, legislators and others that combat malicious activities and enhance cyber security.

We also commended the collaboration with international organizations such as the OECD and G8 Cyber Crime Prevention Association to share experiences and develop best practice approaches to cyber security. Collaborative work initiatives, including the joint APEC-OECD Report on Malicious Software, undoubtedly serve to enhance our collective security.