

Abstract

The gradual maturity of digital convergence era has laid the foundations for the development of the digital economy. As this new era in the communications industry begins to take shape, the government should continue to closely track its development, shape positive outcomes, and remain focused on industrial transformation and competition. Based on the various entrusted items of research, this paper adopts various means for the study, including literature, case studies, and comparative analysis, as well as symposiums for interviews with experts, integrating the output of each method and item, and proposes specific recommendations for a forward-looking innovative legal framework for future communications. This study proposes four main values for the regulatory framework for communications: freedom, fairness, diversity and efficiency, and further extends four strategies: (1)encourage participation and competition, (2)enhance the communications environment and market order, (3)promote production incentives and supervision of the program content, and (4)revitalize the development of wireless broadcasting industry. This research also focuses on various strategies being undertaken currently, and not only develops corresponding tactics, but also proposes issues for operator consultation.

The recommendations proposed in this study are divided into two categories: immediate and feasible recommendations, and medium and long-term recommendations.

Immediate and feasible recommendations:

1. With view to internet governance, the Legislative Yuan should pass the legislation of the Digital Communications Act as soon as possible, adopting a light-touch governance model;
2. Rate control should not be withdrawn prior to the cable TV market achieving effective competition;
3. Regarding the level of structural regulation and the maximum number of subscribers for cable TV, establish the same directions and consider IPTV to be included in the calculation of maximum number limit of horizontal subscribers;

4. Undertake evaluation of each radio and television business towards their self-assessment measures;
5. Establish obligations for overseas satellite radio and television operators so as to ensure a certain degree of domestic programming rate;
6. Encourage the combination of broadcasting and lifestyle industries to connect with regional development, culture and local value;
7. Pass the draft of Telecommunications Management Act as soon as possible to improve spectrum efficiency.

Medium and long-term recommendations:

1. Amend regulation to ensure the license period of each radio and television business is consistent with the evaluation period;
2. The restriction of government investment and operation for IPTV should be released, only when the subscribers can choose basic channel on the premise of fair and non-discriminatory treatment, and the channel service business and the channel agent can combine the channels themselves.
3. In terms of regulation of the combination, the government should refer to the FCC of the US or KEK in Germany to establish a comprehensive and diversified indicator in line with our media market;
4. Government should amend the law to strengthen NCC's power to require information from the industries;
5. Government should establish obligations for those OTT TV operators under certain conditions, to ensure a certain percentage of the national program;
6. Government and industry should respond to false information;
7. Government should establish an independent funding mechanism for public media;
8. The Ministry of Finance, the Ministry of Culture and other agencies should provide certain incentives, such as tax or product placement of programme, for the key national film and television content.

This study takes the view that the government's general mission and role in the audiovisual communication media is to grasp the rapidly changing conditions of communications and communications technology, and timely reflect and adjust the governance regulation structure in response to ensure that people can obtain diverse content as widely as possible. Meanwhile, maximizing the audience's access to the services also upgrades transmission technology for the audio-visual communication industry, produces innovative contents, develops new business models, and ensures long-term contribution to the national economy and stability.

The suggestions in this study are divided into those that are currently feasible, and those that hold medium or long-term views.

Current:

1. Plan the governance legal framework of OTT TV, conduct cross-ministerial initiatives, and open communication between industry and audience.
2. Revitalize the business model of IPTV by policy, and strengthen their operational flexibility to compete with cable operators.
3. Plan the legal model of regulations of IPTV for the investment by political party, government and military, and continue to communicate with all parties to achieve public consensus.
4. Draft a law for the vertical integration of our media and cross-media centralization, and report to the Executive Yuan for deliberation.
5. Consider ways to reduce the cost of license renewal, by means of self-evaluation by operators with good performance, etc.
6. Introduce an arbitration mechanism to resolve disputes over channel royalties, and consider the possibility of immediately amending the law.
7. Establish a cable TV payment system that is conducive to the profit sharing between operators.
8. Draft legislation for channel agents to be supervised, and present it to the Executive Yuan for deliberation.
9. Promote the revitalization of our film industry and the promotion of our culture with multi-policy tools, such as regulation, or subsidies, etc.
10. Establish a self-discipline and co-management mechanism for

media industry, and the relevant decision-making process with opinions from citizen groups, non-governmental organizations, etc.

11. Complete supervision of the content of the program, and strengthen the enforcement of news verification and fairness principle.
12. Encourage the wireless broadcasting industry to use apps to co-produce, and make good use of internet technology to boost industry development.
13. Encourage terrestrial TV operators to move to digital environments, protecting the universal access right of people to use terrestrial TV.

Medium and long-term suggestions:

1. Plan various radio and television business license systems towards rationalization.
2. Consider the role of various government agencies in internet governance.
3. Research cooperation mechanisms for inter-ministerial associations, and strengthen the establishment and function of media literacy.
4. Strengthen the operational scale and flexibility of wireless broadcasters through multiple approaches.
5. Cooperate with the Ministry of Culture to establish partnerships with the public media, to establish the benchmark of our media environment.

Keywords: Communications Policy, Market Competition, Digital Convergence, Regulatory Reform, communications media