

What you need to know about the new Telecoms Act

11 December 2020 | Contributed by [Shay & Partners](#)

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Introduction

The new Telecoms Act came into effect on 1 July 2020. The licences of incumbent telecoms operators will expire on 30 June 2023 if not earlier on their registration with the National Communications Commission (NCC). While the Taiwan telecoms regulatory regime is switching from heavy-handed regulation to light-touch administration as the NCC claims, the NCC published a guideline with regard to the registration of telecoms service providers and responses to FAQs on its official website.

Registration

Registration will be made by each applicant reporting details of telecoms services in lieu of multiple service licences under various categories. There will be one registration for each service provider regardless of how many telecoms services will be offered. As of the end of January 2020, the NCC had issued up to 105 service licences to approximately 80 Type I operators under the old Telecoms Act and 383 value-added service licences to Type II operators. In future, the NCC will have a centralised register for details of telecoms services offered by each registrant, but no more licence fees will be required for new registration.

Who should register?

The new act replaces the conventional Type I and Type II telecoms licence categories (ie, facility-based and service-based operators, respectively) which were adopted in 1996 with a more liberal approach. Therefore, telecoms service providers will no longer be regulated unless their services involve:

- the negotiation of interconnection among telecoms service providers;
- the assignment of specific radio spectrums;
- the assignment of public telecoms network IDs and point codes; or
- the assignment of telecoms numbers to fixed and mobile-service providers.

The NCC has outlined that the following service providers must file for registration prior to the expiry of existing licences on 30 June 2023:

- integrated telecoms networks;
- local telecoms networks;
- fixed-satellite communications;
- mobile-satellite communications;
- mobile broadband; and
- special Type II business which has been assigned user numbers by the NCC.

General Type II operators are advised that there is no need to file registration with the NCC unless they wish to have the NCC involved in their interconnection negotiation with other registered telecoms service providers.

Leased-circuit business

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The international submarine cable and the in-land long distance circuit leasing business may be exempt from registration as they do not involve use of radio spectrum or telecoms numbers.

MVNO

Mobile virtual network operators (MVNOs) will not be required to file registration with the NCC. MVNOs use numbers which the NCC has assigned to mobile network operators (MNOs) subject to the contractual arrangement that they have with the MNOs. On the other hand, should MVNOs apply for numbers assigned directly from the NCC, a registration including a detailed business plan will be required.

Simple resale

There are currently 48 voice simple resale licences subject to the special Type II regulation granted for the use of numbers. Licence holders are encouraged to file their registration as soon as possible once they have confirmed the need for numbers assigned for continuing business.

Qualification for registration

Applicants must receive their business licence from a competent authority in Taiwan – it may be a natural person, a partnership or a company. A foreign company which has a Taiwan branch office approved in the Taiwan Company Registry is also eligible for the registration with the requirement that it must enrol at least one Taiwanese citizen who has actual residence in Taiwan for local contact.

Compliance

The registration, together with the network deployment plan and business plan if required, must be prepared by following specific formats and requirements in the NCC guidelines available on its official website. However, the simplified registration process under the new telecoms act does not lessen the duty of reporting that the registrant bears in its further telecoms business.

For further information on this topic please contact [Arthur Shay](#) at Shay & Partners by telephone (+886 2 8773 3600) or email (arthur@elitelaw.com). The Shay & Partners website can be accessed at www.elitelaw.com.

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