

LEGAL UPDATE

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LEGISLATION UPDATE

PROPOSED POLICY AND REGULATORY FRAMEWORK FOR MOBILE BROADCASTING SERVICES IN SINGAPORE

MDA holds public consultation on regulation of mobile TV services

The Media Development Authority (the “**MDA**”) issued a public consultation paper on 21 November 2007 to seek public feedback on its proposed policy and regulatory framework for mobile broadcasting services in Singapore. These are mobile TV services (“**MTVS**”), which use one way point-to-multipoint radio transmissions over a dedicated network which is separate from the cellular network.

The public is invited to submit comments on the proposals, which deal with the following issues:

- Technology standards;
- Licensing framework;
- Market structure issues; and
- Content and advertising regulation.

All comments are to be submitted to the MDA by **4 January 2008**.

Technology standards

The MDA does not intend to impose any particular technical standard for MTVS but instead will regulate the industry on a technological-and platform-neutral basis.

In terms of network coverage, it is proposed that the current prescribed level for mobile phone coverage (ie. 95%) should set the standard for outdoor coverage of MTVS. For the present moment, the MDA will not set standards for indoor coverage but it reserves the right to do so later. Similarly, picture quality and customer services will not be subject to pre-set standards as the MDA believes that the standards for these will be adequately shaped by market forces.

Licensing framework

The MDA proposes that the existing licensing regime for fixed digital broadcasting, which involves a multiplex licence (ie. a licence for an operator to use or lease out the right to use certain assigned broadcasting frequencies to broadcast a collection of television programmes, radio and data services together in a digital signal) and a broadcasting licence, could be applied to MTVS.

To create a level playing field in the MTSV industry, both cellular mobile TV operators and MTSV operators will be required to apply for broadcasting licences before transmitting TV services over their networks. There will not be any limit on the number of broadcasting licenses.

The MDA intends to adopt a two-tier licence framework, which comprises niche licences (for licensees which have a subscriber base of less than 100,000) and nationwide licences (for licensees having 100,000 or more subscribers). For a start, because MTSV is still in a developmental stage, MTSV operators and cellular mobile TV operators will be regulated on the basis of niche licensing.

Multiplex licences will have a 10-year duration with an option to renew for 5 more years. Broadcasting licences will be issued for 5 years and will be also be renewable.

Market structure issues

Offer of capacity to third parties

As multiplex capacity for MTSV is expected to be scarce, the MDA proposes that multiplex licensees should be obliged to offer capacity to third parties on fair, reasonable and non-discriminatory conditions.

Cap on advertising revenue

The MDA also considered whether there should be a cap on advertising revenue for MTSV to protect advertising revenues of free-to-air (“FTA”) service providers. It decided not to impose a cap, so as to encourage MTSV operators to develop innovative advertising business models.

Content and advertising regulations

Content

Studies suggest that young viewers will watch MTSV on an unsupervised basis. The MDA therefore proposes to apply its programming codes for fixed TV services to MTSV. The codes control FTA content, subscription content, video-on-demand and other types of content.

The MDA does not intend to impose public service broadcasting and must-carry obligations on MTSV operators as these may have a negative impact on their commercial viability. However, MTSV operators will be required not to block access to FTA channels if their service provider uses technologies which are compatible with those of MediaCorp Pte Ltd, presently Singapore’s only provider of FTA content.

Advertising

In relation to advertising, the MDA is of the view that the current framework for advertising regulation should apply to MTSV. The framework comprises the Spam Control Act 2007, the Singapore Code of Advertising Practice and various regulations administered by the MDA.

References

Please click on the following links to see details of:

1. [Press release issued by MDA on 21 November 2007;](#)
2. [Summary of key proposals;](#) and
3. [Full text of consultation paper.](#)

If you would like more information about the public consultation or wish to discuss how it may potentially affect you or your business, please feel free to contact us:

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