

# **CHINA NEW RULES THREE NETWORKS COVERGENCE**

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*Presented by*

**Sarah(Xiaohua) Zhao**

**COAN & LYONS**

**Tel: 202-262-5396; [szhao@coanlyons.com](mailto:szhao@coanlyons.com)**

**1100 Connecticut Ave. NW, Washington, DC 20036**

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### I. 2009 New Rules

(1) “Management Measure on Telecom Business Licenses” was amended and became effective on April 10, 2009 (Province-wide: From 200 million RMB to 100 million; Nation-wide: 2 billion RMB to 1 billion. )

(2) “Management Measure on Software Products” was amended and became effective on April 10, 2009 (From Mandatory to Voluntary)

(3) Rule on allowing private companies enter broadcasting program production industry; Rule on foreign investment into broadcasting program industry; Rule on foreign broadcasting programs import.

(4) The new rules’ impact on the convergence.

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### II. Governmental Actions

(1) Special working group lead by Vice Primer Zhang Dejiang was established to push the development of the converging; Ministry of Industry and Information Technology (MIIT) and State Administration of Radio, Film and Television (SARFT) have established a special group to negotiate how to proceed on converging issues, according to Chinese media.

(2) A major broadcasting player in Southern China has obtained telecom licenses of ICP and ISP, first of this kind in current Chinese government.

(3) Clear Direction v. Process -- new hope for China Telecom Law.

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### III. Market Reality

- (1) The war between telecom and broadcasting sectors for years;  
Why now and who are pushing it?
- (2) Development of IPTV and Wireless Mobile TV
- (3) Telecom players, domestic private companies, foreign companies & broadcasters themselves from inside.

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## IV. Special Chinese Characteristics

-- A case study.