

TAIWAN

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE (IIPA)

2025 SPECIAL 301 REPORT ON COPYRIGHT PROTECTION AND ENFORCEMENT

Special 301 Recommendation: IIPA recommends that Taiwan be placed on the Special 301 Watch List.¹

Executive Summary: Although the Government of Taiwan took positive steps in 2019 to improve its digital marketplace for legitimate audiovisual content, including outlawing piracy devices (PDs) and apps, over the last five years Taiwan has failed to remedy other legislative deficiencies and modernize enforcement procedures. Because Taiwan has not taken these steps necessary to tackle modern piracy operations, it has become a growing target for piracy and a less attractive market for all creative industries. Online piracy has worsened. There have been some criminal enforcement leading to positive outcomes, but offshore piracy sites accessible in Taiwan still operate freely and without fear of repercussions. To stem this growing tide of piracy, the Government of Taiwan must confirm and demonstrate that existing laws provide a mechanism that ensures Internet service providers (ISPs) can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities, including those hosted outside Taiwan.

Additionally, the amendments to the Copyright Act passed in May 2022 failed to address deficiencies in Taiwan's legal framework and continue to raise questions regarding Taiwan's existing international obligations. Instead, the Government of Taiwan should implement the effective relief described above and swiftly remove market access barriers negatively impacting the audiovisual sector. Taiwan should also refrain from imposing any new barriers, including those impacting over-the-top (OTT) services and intermediary platform regulations. Finally, at a minimum, Taiwan should ensure its enforcement framework and copyright legislation comply with its obligations under the WTO TRIPS Agreement, including ensuring remedies are at deterrent levels and the scope of any exceptions and limitations under its Copyright Act are narrowly tailored and specific.

PRIORITY ACTIONS REQUESTED IN 2025

Enforcement

- Ensure criminal authorities investigate and prosecute more online piracy cases (including those involving PDs and apps under the amended Copyright Act) and seek deterrent-level punishment against commercial piracy operations.
- Confirm and demonstrate that existing laws provide a mechanism that ensures ISPs can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities, including those hosted outside Taiwan.

Legal Reforms

- Enact legislation to address the gaps under the amended Copyright Act to provide effective relief for copyright infringement, including mechanisms that ensure ISPs can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities; provide proper incentives for ISPs; and other matters not addressed in the amendments.

¹ For more details on Taiwan's Special 301 history, see previous years' reports at <https://www.iipa.org/reports/reports-by-country>. For the history of Taiwan's Special 301 placement, see <https://www.iipa.org/files/uploads/2025/01/Appendix-C-2025.pdf>.

- Ensure the adequacy of civil remedies by enhancing Article 88 of the Copyright Act to remove the restrictive language on calculating damages.
- Remove current exceptions and refrain from introducing new exceptions that are broader than the limits of the three-step test.
- Address shortcomings in amendments to the Collective Management Organization (CMO) Act.
- Comply with the requirements of the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) (collectively, the WIPO Internet Treaties) irrespective of formal accession.
- Ensure that any potential OTT regulations or any regulations on intermediary platforms do not disincentivize foreign investment.

Market Access

- Eliminate market access barriers to U.S. audiovisual content, including investment, the basic cable rate cap, and discriminatory television content quotas.

ENFORCEMENT

Online and mobile device piracy in Taiwan increased in 2024 while its anti-piracy framework stagnated. Both domestic and foreign-based websites, apps, and other online services that provide illegal content are an increasing problem that undermines the ability of rights holders and legitimate services to distribute copyrighted content. These sites prevent rights holders from seeing their investments reach their full potential in Taiwan. For example, the streaming site *GimyTV* remained a key piracy concern in Taiwan. *GimyTV* received over 547 million global visits between January and September 2024 from users globally and is ranked the second most popular streaming website in Taiwan.

The proliferation of PDs remains a problem in Taiwan, and enforcement against PD operators is insufficient.² For example, streaming devices that run with proprietary infringing apps enable unauthorized access to live channels and video-on-demand (VOD) content and are readily available online and in physical marketplaces. Sellers of streaming devices try to distance themselves from the installation of infringing apps by claiming that the manufacture or sale of the boxes themselves is not illegal, and it is resellers that provide a code for their customers to install infringing apps. In addition to piracy, these infringing apps expose users to malware and the risk of remote hardware hijacking.³

Further, streaming and linking sites that aggregate and index links to pirated content stored on other sites continue to make up a large amount of piracy consumption in Taiwan. Social media platforms also have now become a popular way to share pirated content either directly, or via sharing of links to such pirated content. Stream ripping, where users of legitimate online platforms use tools, such as an app or a website, to illegally “rip” the streamed audio or video content, is a growing problem that first impacted the music industry but is now beginning to affect other creative industries as well.⁴ In recent reports, the music industry cites that Taiwanese enforcement agencies take significantly fewer actions against music piracy, in part because many piracy websites are hosted outside Taiwan.

Additionally, the need for enhanced enforcement measures is now more crucial following the emergence of new means of infringement via mobile apps with built-in karaoke capability imported from China or created in Taiwan. These apps allow consumers to access and download content from a cloud database located overseas, with the app providing access to a vast amount of unauthorized karaoke audiovisual content. Right holders of such karaoke

² Piracy Devices (PDs) refer to media boxes, set-top boxes, or other devices and their corresponding apps and services. Mostly originating from China, PDs are available throughout Taiwan, including at so-called “3C” shops, and via online retailers, and facilitate unauthorized streaming of motion pictures and television content through apps that direct users to pirated content. These devices often contain, or can connect to, a hard disk to store the downloaded content and may have an SD card slot, which helps novices connect to foreign piracy sites. More than 30 different brands of such devices are now available in the marketplaces in Taiwan. Manufacturers of popular PDs in Taiwan include *Unblock Tech*, *EVPAD*, and *SVI Cloud*.

³ Watters, *Cybersecurity Risks from Illicit Streaming Devices in Taiwan*, September 14, 2024, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4986107

⁴ For example, *Backupmp3.com* received over 99% of its traffic from Taiwan in Q2 2024 with over 7 million visits to the site. Other popular stream ripping sites in the same period include *Y2mate* with 1.2m visits, and *Y2meta.com* with more than 0.7m visits.

audiovisual content in Taiwan have consequently suffered significant losses because of this issue. Given these significant and growing piracy challenges in Taiwan, IIPA and its members strongly encourage Taiwan to take the priority actions to fight piracy identified below.

- **Ensure criminal authorities investigate and prosecute more online piracy cases (including those involving PDs and apps under the amended Copyright Act) and seek deterrent-level punishment against commercial piracy operations.**

The past few years saw several criminal piracy enforcement cases conclude with meaningful penalties that were ultimately insufficient. For example, in September 2023, the Taiwan Police seized over 1000 *SVICLOUD* piracy devices and arrested seven suspects working in the piracy operation. In February 2024, after more than three years since a criminal referral was brought against the piracy service *GimyTV* in December 2020, the Taipei District Court sentenced its primary operator to 26 months in prison, the sites' programmer to 22 months, and two of its operators to 18 and 12 months. However, although *GimyTV*'s main domain *gimy.ai* and related sites such as *gimy.tube* and *gimy.is* were blocked, new domains including *gimy.video* and *gimy.cc* remain operational as of this report. Enforcement authorities have also recently been more proactive combating piracy websites when the operations have a clearer nexus to Taiwan. In April 2023, the Taoyuan District Court sentenced two operators of the piracy website *8maple* (domains including *8drama.com*; *8maple.ru*; *fenglin.to*; *eyny.tv*) to 18 months in prison and confiscated illicit gains of approximately US\$1,946,000. Unfortunately, similar enforcement efforts are not undertaken when piracy operators or operations are located overseas. The *GimyTV* and *8maple* cases have appeals pending.

While these actions and penalties should certainly be commended, especially the notable *GimyTV* verdict, the Government of Taiwan should take the following steps to improve the scale and efficiency of processes to deter the widespread and commercial-scale piracy taking place in Taiwan:

- The criminal process is lengthy, which means that piracy websites can continue operating while cases go through the courts (including appeals). This timeline should be reduced.
- Burdensome procedural requirements, which introduce unnecessary complexity and delays to an already lengthy criminal referral process, should be mitigated or removed entirely. For example, notarized and legalized powers of attorney continue to be required for the filing of each individual criminal referral and in each court, meaning the same power of attorney used in the first instance trial court is not sufficient when the same case goes on appeal.
- Enforcement authorities (including the Intellectual Property Rights (IPR) Investigation Corps in the Criminal Investigation Bureau (CIB) and the Telecommunication Police Brigade (TPB)) should further prioritize content piracy cases, including those involving PDs and apps, using the amended law to its maximum extent to seek deterrent-level punishment against commercial piracy operations.
- Taiwan should take deterrent action against persons who facilitate stream ripping (i.e., the app developer or website operator) which infringe the reproduction or making available rights and often unlawfully circumvent technological protection measures (TPMs).
- Enforcement authorities should consistently implement Articles 87 and 93 of the Copyright Act that provide a clear legal basis for enforcement against the dissemination of piracy apps and the manufacture and trafficking of PDs and piracy apps, as well as against resellers of devices that do not have piracy software or apps pre-loaded (but that are well equipped by the manufacturer or by middleware providers to install illicit software or apps), as implementation continues to be lacking and inconsistent.
- The deterrent effect of prison terms should not be dampened through suspended sentences or probation.

Unless the Government of Taiwan takes these steps to address piracy sites and services, Taiwan will continue to become an outlier in Asia, as more governments in the region (and elsewhere in the world) are taking active steps to address rampant and evolving online and mobile piracy.

- **Confirm and demonstrate that existing laws provide a mechanism that ensures ISPs can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities, including those hosted outside of Taiwan.**

Taiwan's Internet users often obtain pirated content from websites located overseas. Unfortunately, Taiwan's legal framework to address overseas infringements remains inadequate. Taiwan's legal system does appear to offer mechanisms that ensure ISPs can, on a no-fault basis, impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites, upon rights holders' applications to appropriate authorities. Unfortunately, existing mechanisms appear to fall short and are both problematic and relatively untested. The *GimyTV* criminal action noted above, which resulted in an order to block certain domains, may pave the way for an approach by the Government of Taiwan to more readily take action to disable access to sites primarily engaged in piracy. One current remedy available to disable access to such sites (i) can only be initiated via a criminal process, which as noted above can be incredibly lengthy; (ii) is entirely discretionary and the duration for which access is disabled is dependent on a number of factors and may be shortened if the criminal investigation is halted; and (iii) even when implemented, access is disabled only in relation to the specific defendant domains identified, i.e., there has been to date no dynamic impact. Another mechanism—a mediated and quasi-voluntary approach—shows promise, but the main ISPs have not agreed to implement the remedy for eligible sites. In discussions between Taiwanese government officials, rights holders, and ISPs, ISPs indicated that they are generally sympathetic to the need to better address the growing illicit behavior on their platforms, but maintained the position that they will not act unless directed by the government or ordered by courts. Additionally, as discussed below, Article 87 of the Copyright Act should be amended to expressly confirm that these mechanisms can be used against foreign-based services.

LEGAL REFORMS

- **Enact legislation to address the gaps under the amended Copyright Act to provide effective relief for copyright infringement, including mechanisms that ensure ISPs can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities; provide proper incentives for ISPs; and other matters not addressed in the amendments.**

Taiwan has not enacted comprehensive amendments to its Copyright Act since 2013. As previously reported, in 2019, Taiwan enacted nominal amendments to Articles 87 and 93 of the Copyright Act that prohibited piracy apps and the manufacture and trafficking of PDs and piracy apps. However, revised Article 87 maintains the condition that violators must “receive benefit” from their actions. This requirement should be removed, since in some cases the “benefit” may be indirect and difficult to prove. It should be clarified that the list of acts setting out “an infringement of copyright” is non-exhaustive to allow the provision to be applied to other acts of infringement, such as stream ripping. Also, the requirement to prove the offender's knowledge that the broadcast or transmitted content infringed copyright may make this new provision unenforceable when the content is licensed to broadcast or transmit in a specific territory but then broadcasted or transmitted beyond the licensed territory. Moreover, this amendment limits rights holders' ability to take action against infringers operating outside of Taiwan, the most prevalent type of piracy impacting the Taiwanese market.

Prior IIPA submissions have detailed the flaws in the 2019 amendments.⁵ As noted, while many of the online services built on infringing activities or facilitating infringement are located outside of Taiwan, a significant amount of infringing activity still occurs within Taiwan and should create a nexus for action. ISPs in Taiwan have indicated a willingness to address the problem of flagrantly infringing websites but insist they must be ordered by a court or the government to act. It remains unclear whether the current legal framework could be interpreted to enable ISPs to do

⁵ See 2019 IIPA Taiwan Special 301 Country Report, pp. 83-84, available at <https://www.iipa.org/files/uploads/2019/02/2019SPEC301TAIWAN.pdf>.

more or whether it specifically inhibits ISPs from proactively doing so. IIPA believes the Taiwanese government should enact legislation to provide mechanisms that ensure ISPs can impose effective relief to remove infringement, including, where applicable, to disrupt or disable access to structurally infringing websites on a no-fault basis, upon rights holders' applications to appropriate authorities. It is unfortunate that no such proposals have been included as part of the copyright reform process, especially since other governments in the region, including Australia, South Korea, Singapore, India, Indonesia, and Malaysia have enacted such measures.⁶ Moreover, the 2019 amendments failed to address several other deficiencies in Taiwan's existing legal regime. Taiwan should:

- ensure the ISP liability framework incentivizes intermediaries to act against online piracy and that safe harbors apply only to passive and neutral intermediaries that do not contribute to infringing activities; such intermediaries should fulfill certain conditions, including adoption of a repeat infringer policy, with a requirement for marketplaces and encouragement for all ISPs to institute “know your business customer” (KYBC) policies; and that, upon obtaining knowledge of infringement (including a notice) or otherwise becoming aware of circumstances of which the infringement is apparent, intermediaries should promptly take steps to limit, stop, and prevent further infringement, including expeditious takedown of infringing content and other measures demonstrated effective in preventing or restraining infringement;
- classify all criminal copyright infringement, including Internet piracy, as “public crimes” (mirroring past precedent regarding CD and DVD piracy), which would be an effective deterrent and would benefit all rights holders, including those who cannot afford to pursue civil enforcement actions;
- extend the term of protection for copyrighted works, including sound recordings and audiovisual works, in line with the international trend, i.e., to 70 years after the death of the author, or in cases in which term is calculated based on publication, to the term of 95 years, but in any case, no less than 70 years;
- clarify that it is a criminal offense to engage in unauthorized camcording of motion pictures in movie theaters or of live musical performances;⁷
- correct problematic Taiwan Intellectual Property Office (TIPO) practices regarding tariff setting and tariff dispute resolution for uses managed by CMOs, as well as other collective management related issues;⁸ and
- ensure sound recordings are treated the same as literary, musical, and dramatic or choreographic works, including but not limited to providing producers and performers exclusive (rather than mere remuneration) rights for public performance and retransmissions of sound recordings.

While Taiwan passed amendments to its Copyright Act in May 2022, those amendments contained several provisions that were inconsistent with evolving international norms and raised questions regarding compliance with Taiwan's existing international obligations and should not be pursued, including the following:⁹

⁶ Europe has addressed this problem through Article 8.3 of the European Information Society Directive, which is the basis for injunctive relief against intermediaries to remove access to infringing content.

⁷ The music industry reports that infringement through camcording live concerts is increasing.

⁸ Corrections should include allowing the setting of fair market-based rates for collectively managed rights (instead of tariffs determined by the Taiwan Intellectual Property Office (TIPO)); establishing judicial dispute resolution mechanisms in lieu of the requirement to have collective management organization (CMO) tariffs reviewed, revised, and approved by TIPO; and eliminating TIPO's authority for setting a “joint royalty rate” and appointing a “single window” for collection. The 2010 amendments to the Copyright Collective Management Organization Act leave in place overbroad authority with TIPO to fix royalty rates for both the broadcast and performance of music and sound recordings and allow for delays in fixing the rate, thus interfering with the ability of rights holders to collect royalties. A detailed discussion of the shortcomings of the Act appears in previous IIPA filings.

⁹ The Copyright Amendments passed in May 2022 are part of Taiwan's effort to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) free trade agreement. The Amendments will come into force if Taiwan joins the CPTPP.

- numerous broad exceptions and limitations to protection, including fair use,¹⁰ which would call into question Taiwan's compliance with its TRIPS obligations;¹¹
 - provisions that reduce criminal liability standards (e.g., requiring participation in CMOs as a prerequisite for criminal enforcement, exempting a broad range of uses of copyright works from criminal liability, and removing the minimum prison sentence of six months for making and distributing infringing copies);¹²
 - provisions that require rights holders to file a formal complaint rather than providing *ex officio* authority for law enforcement to take action against criminal acts of infringement; and
 - provisions that fail to treat producers of sound recordings fairly by denying them exclusive rights for public performance (including where this has been "simultaneously further communicated to the public").
- **Ensure the adequacy of civil remedies by enhancing Article 88 of the Copyright Act to remove the restrictive language on calculating damages.**

Civil damages in Taiwan for copyright infringement are currently inadequate. Article 88 of the Copyright Act includes restrictive language on calculating damages and limits damages to roughly US\$31,787 in cases where actual damages cannot be clearly determined. Due to the nature of a lot of copyright piracy, actual damages cannot be clearly determined, which is why the United States has deterrent-level statutory damages. Article 88 should be enhanced by removing the limits and restrictive language. Additionally, the damage threshold is far too high and does not address goods that have a low market price. It appears that the damage threshold should be applied on a per infringement basis and reconsideration of a reasonable minimum damage threshold is needed.

- **Remove current exceptions and refrain from introducing new exceptions that are broader than the limits of the three-step test.**

Other longstanding draft copyright amendments proposed by the TIPO, which are now before the Legislative Yuan, propose many unfortunate changes that would weaken copyright protection. The draft amendments contain problematic provisions for rights holders, including a poorly defined exception that allows public presentation of works using home-style equipment for "non-recurring" and "non-profit" purposes that risks including audiovisual works released through VOD services and does not address many of the criticisms IIPA raised in comments on the previous drafts that TIPO had released for public comment. As of October 2023, most of the draft amendments remain under active consideration by the Legislative Yuan. However, in May 2022, the Legislative Yuan passed a small portion of the draft amendments focused on broader education exceptions in the Copyright Act that may result in weakened protection for copyright.

- **Address shortcomings in amendments to the CMO Act.**

In 2022, Taiwan amended its CMO Act. The Act still presents shortcomings, however, that affect the establishment of new CMOs and their governance. For example, the Act includes the obligation for half of the promoters of a new CMO to be residents in Taiwan and creates obstacles for rights holders' associations and current members of a CMO to be promoters of a new one. Moreover, the Act introduces term limits for management-level positions and

¹⁰ Article 65(1) of the draft states that all of the enumerated exceptions (Articles 44-63) are subject to fair use without any requirement that they be confined to the fair use factors outlined in Article 65(2). Article 65(2) instead appears to function as an additional "catch all" fair use exception. As a result, the draft sets out a sweeping exception regime that is largely exempt from the safeguards set out in Article 65(2), which was originally intended to confine the enumerated exceptions to the three-step test. All of these exceptions should be expressly confined to the three-step test (e.g., WTO TRIPS Article 13) to ensure compliance with Taiwan's international obligations.

¹¹ Other problematic exceptions include an exception for using "common domestic reception appliances" to publicly retransmit works that have been publicly broadcast, and a broad exception for public performance of works for "nonprofit" activities. To ensure compliance, the three-step test should be made explicitly applicable to all relevant exceptions and, where it has been removed from existing law, the "reasonable scope" limitation should be retained.

¹² The draft mandates that rights holders participate in a CMO to benefit from criminal enforcement against some infringing re-broadcasts or public communications, which impinges on the contractual freedom of creators and raises serious questions of TRIPS compliance. Parallel imports should not be decriminalized, because the government needs appropriate means to address the fact that many piratical imports are labeled as legitimate goods, which undermines Taiwan's legitimate marketplace. Also, the exemptions from criminal liability set forth in Article 37 are too broad, covering, for example, exploitation of digitized karaoke machines or jukeboxes, which contain reproductions of musical works for public performance and re-transmission.

internal controls that are difficult to apply to CMOs in which a reduced number of rights holders hold significant shares of the market.

Taiwan should consider amending the current CMO Act to address the practical issue of royalty rate setting by CMOs. Article 24(1) requires CMOs to take into account “[t]he result of consultations with the users, and the users’ suggestions,” but is effectively only reported to the copyright authority (TIPO) after a general public consultation period, rather than being open for dispute and/or review by TIPO prior to its publication. There is a need to ensure greater engagement between CMOs and their users prior to the publication of any new rates. For example, Article 24 could be amended to require TIPO review and approve any changes to CMO royalty rates rather than having them automatically take effect at the end of the 30-day announcement period.

- **Comply with the requirements of the WIPO Internet Treaties irrespective of formal accession.**

While it may be politically impossible for Taiwan to officially join the WIPO Internet Treaties, Taiwan should nonetheless adopt a legal framework that provides adequate and effective protections for the Internet age, including meeting the requirements of the treaties, which provide the global minimum standard of protection for copyrighted works online.

- **Ensure that any potential OTT regulations or any regulations on intermediary platforms do not disincentivize foreign investment.**

The National Communications Commission (NCC) continues to actively consider a draft “legal framework” for the revised Internet Audiovisual Services Act (IAVSA), which has been undergoing drafting since 2020 and is understood to still be under active consideration in 2024. The “framework” for the IAVSA would obligate foreign OTT and VOD service providers to register with the NCC, appoint a local agent, comply with a content regulation system that is potentially inconsistent with international standards, and potentially disclose sensitive commercial information. The draft also proposes local content obligations and associated penalties for noncompliance. The full revised draft of the IAVSA (based on the framework) has not been released to date.

Unfortunately, some local stakeholders have pointed to the significant problem of piracy originating outside of Taiwan (as discussed above) to advocate for local registration requirements. Local registration requirements would discriminate against legitimate services and be ineffective against the problem of illicit piracy services located outside of Taiwan that target the Taiwanese market. As noted above, there are other remedies that would effectively address this problem.

Additionally, a Digital Intermediary Services Act (DISA) put forward by the NCC, which focuses on regulating platform accountability, illegal content, transparency, and disclosing business information and service terms to protect users’ rights, was met with widespread disapproval from stakeholders and was shelved in September 2022. The issues of greatest concern were the breadth of definitions, remedies proposed with respect to certain intermediaries (particularly with respect to online content regulation), and possible disclosure of sensitive commercial information. As of December 2023, the draft remains shelved, although IIPA understands the DISA remains under active consideration.

MARKET ACCESS

- **Eliminate market access barriers to U.S. audiovisual content, including investment, the basic cable rate cap, and discriminatory television content quotas.**

The Cable Radio and Television Law limits foreign direct investment (FDI) in a domestic cable television service to 20% of the operator’s total issued shares. FDI in satellite television broadcasting services is also restricted to no more than 50%. In 1990, Taiwan set a rate cap for cable TV service of NT600 (US\$20) per month per household,

which has never been adjusted to keep up with inflation. Other restrictions on television services include a mandatory carriage requirement of 90-100 channels in the basic cable package and, for all Internet Protocol TV (IPTV) offerings above the basic level cable TV services, only *à la carte* pricing is allowed. Such investment restrictions and rigid regulations of retail cable rates by the central and local government have hindered the development of the cable TV industry, satellite operators, and content providers, resulting in at least one major channel provider announcing their exit from the market in 2023.

In January 2017, the NCC issued regulations that included significant local content requirements that limit the broadcasting of U.S. audiovisual content on terrestrial and satellite television.¹³ These discriminatory conditions limit consumer choice, undermine the growth of the pay-TV sector in Taiwan, restrict U.S. exports, and should be repealed.

COMPLIANCE WITH EXISTING OBLIGATIONS TO THE UNITED STATES

The deficiencies in Taiwan's enforcement framework outlined above—including inadequate civil remedies that do not result in deterrence and a judicial system that does not take criminal piracy cases seriously, resulting in non-deterrent criminal sentences—are inconsistent with Taiwan's obligations under the TRIPS enforcement provisions, including Articles 41, 42, and 61. Furthermore, as noted above, should Taiwan adopt certain proposed draft amendments to the Copyright Act without significant revisions, Taiwan's copyright laws will run afoul of a number of its TRIPS obligations including, in particular, those under TRIPS Article 13 on exceptions and limitations.

¹³ The Administrative Regulation for the Terrestrial TV Stations Broadcasting Local Production Programs and the Administrative Regulation for the Satellite TV Channels Broadcasting Local Production Programs require terrestrial TV stations to broadcast at least 50% of locally produced dramas between 8 pm and 10 pm and local satellite TV channels to broadcast at least 25% of locally produced children's programs between 5 pm and 7 pm and at least 25% of locally produced drama, documentaries, and variety programs between 8 pm and 10 pm. These regulations require 40% of these locally produced programs to be new productions. Furthermore, cable TV services must broadcast at least 20% of local programming.