

# ADVERTISING LAW: Taiwan

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## Introduction

Taiwan has a strong, modern commercial economy, with a strong services sector, as well as an export-based technology sector. Its regulatory framework for advertising addresses the various players in a commercial economy: consumers, sellers who advertise, media, and regulators. The actions of each of these players are governed by a variety of different statutes and related regulations. There are at least 103 statutes, regulations, and rules that address advertising in Taiwan.

The primary prohibition is on false and misleading statements. Of course, the standard for misleading is highly dependent on local culture and the specific expectations of local consumers. These are sometimes reflected in detailed regulations. Such regulations are issued by various government agencies in the scope of regulating specific industries.

## Legislation

### Fair Trade Law (FTL)

公平交易法

The **FTL** protects consumers from unfair practices by sellers and advertisers. **Article 21** of this law bans false or misleading representations. It specifically requires that advertising agencies are jointly and severally liable for any advertisements they make or design which they should have known to be false or misleading. Further, Article 21 states that the same liability applies to the publishing or broadcast media companies that run such advertisements. The **FTL**'s regulations apply to practices in all industries and advertising media, including Internet advertising.

### Television Broadcast Advertising Examination Standards

衛星廣播電視廣告製播標準

This body of standards enacted under the **Radio and Television Broadcasting Law** sets forth other requirements, including the scope of examination of advertisements, the requirement that broadcast stations or ad agencies must apply for a broadcast permit for any ad, and a ban on contents with vulgar language or causing injury to the public. The **Standards for Advertising Production and Broadcast of Satellite, Radio and Television** ("Production Standards") include many detailed provisions on the permissible content of broadcast advertising.

### Regulatory Agencies

Two major government agencies are responsible for regulating advertising in general. The **National Communications Commission** or **NCC** (國家通訊傳播委員會), established under the **Executive Yuan**, regulates broadcast content, consumer protection, and advertising, among other matters. In addition, the **Fair Trade Commission** (公平交易委員會) enforces the law on prohibition of misleading or unfair advertising and trade practices.

Other agencies with significant responsibilities for advertising regulation are the **Executive Yuan's Department of Health** (行政院衛生署), particularly its **Food and Drug Bureau** (行政院衛生署食品藥物管理局) and the central and local offices of the **Ministry of Finance** (財政部), which are charged with administering Taiwan laws on tobacco and alcohol.

## Products and Services Banned from Advertising

There are several types of products and services that are completely prohibited from any advertising in Taiwan. Generally, these are products or services which are prohibited and punishable under the **Criminal Code of the Republic of China**.

## Gambling and Games of Chance

Games of chance other than the government-administered lottery are prohibited, and therefore their advertising is also prohibited (**Criminal Code**, Chapter 21, Articles 266–270).

## Firearms, Ammunition, and Weapons

These items are prohibited from public sale and may not be sold or owned in the absence of a government permit (**Administration of Guns, Ammunition, and Weapons Regulation**, Article 4). There is virtually no advertising of guns or weapons in Taiwan.

## Sexual Services

Sexual services are prohibited, and thus there is no such advertising, although illicit brothels have been tolerated for decades. There are no specific prohibitions on advertising; however, Article 21 of the **Radio and Television Act** contains general provisions that advertisements may not be broadcast if they disrupt public order or adversely affect good social customs, or incite people to commit crimes or violate laws and orders, or impair the mental health of children, or if they are detrimental to national interests or ethnic dignity.

In addition, the **NCC**, which administers the Law and its Production and Transmission Standards for Cable Radio and Television Advertisements (hereinafter **Production Standards**), has guidelines which prohibit advertisements containing sexual content or expressions that are indecent or contain improper references to the body (Production Standards, Article 3, attached table, item 3, 6, and 10).

## Regulations Related to Product and Service Advertising

The **Commodity Labeling Law**, Article 6, prohibits advertisements from:

- Containing incorrect, false and/or misleading information or claims
- Violating the mandatory and/or prohibitive requirements set out in laws
- Violating public order or good morals

There are categories of goods and services which may be advertised, but only subject to approval or pre-clearance by government agencies. These goods and services are considered to be matters of public health and welfare, and therefore appropriate for supervision.

In general, those products or services which are regulated for quality control and consumer protection are also regulated in the manner in which they can be advertised to consumers. Details are provided below under the relevant headings.

## Alcohol

Article 37 of the **Tobacco and Alcohol Administration Law** sets forth the general requirement that advertising and promotion of alcohol may not:

- Violate public morality
- Encourage consumption of alcohol, particularly by pregnant women
- Harm youth
- Distort facts or contain deceptive or easily misinterpreted contents

In addition, every advertisement for alcohol must include a conspicuous label with the warning, “Excessive Drinking Endangers Health.” In Chinese, the warning should read “飲酒過量，有害健康”，although other similar language may be used. Article 14 of the law’s Enforcement Rules lays out requirements for this warning:

- It must occupy 10 percent of the space of the advertisement.
- The space for the written characters of the warning may not be smaller than 50 percent of the background space of the advertisement.
- In the case of television broadcast advertising or other promotional images, the warning must be continuously displayed on the screen.
- The color of the warning must contrast with the background color of the advertisement.
- For sound advertisements, such as on radio broadcasts, the health warning must be clearly perceptible.

The advertising and labels also may not use foreign languages or label designs or styles to mislead consumers into thinking that the alcohol is from other than its true source (Enforcement Rules of the Tobacco and Alcohol Administration Law, Article 15).

Products which are not in fact alcohol may not be advertised in a manner that misleads consumers to identify such products as alcohol. (Enforcement Rules of the Tobacco and Alcohol Administration Law, Article 35.)

## Firearms, Weapons, and Ammunition

No specific regulations, but sales and ownership of guns, weapons, and ammunition without a license are not legal in Taiwan. (**Administration of Guns, Ammunition, and Weapons Regulation**, Article 4.) There is virtually no consumer gun industry or advertising for firearms, weapons, or ammunition.

## Food

Food advertising is regulated by several laws and regulations, from the general provisions of the **Commodity Labeling Law** to the specific articles of the **Health Food Control Law** (see below). The **Law Governing Food Sanitation** contains numerous provisions relating to advertising of foods, food additives, and food cleansers. Requirements include:

- Promotion and advertising for food must not be false, exaggerated, or misleading (Article 19)
- Advertisements for food may not claim medical efficacy (Article 19); any such claims will subject the advertiser or media business to fines (Article 32) of up to NT\$1,000,000 (approximately US \$333,000)

As a means to promote compliance, a media broadcaster is required to retain in its records the identification and contact details of any advertiser of food products. Such information must be maintained for at least 6 months, and the media company is required to comply with any government request for information about the advertisement and the advertiser (Article 19). Failure to retain such information may incur a fine of up to NT\$200,000 (approximately US \$6,660). Multiple offenses in one year may result in revocation of the business license of the publisher or broadcaster (Article 32).

### Health Foods and the Health Food Control Law

Health foods are a sufficiently new subject matter to merit their own law. The Health Food Control Law applies to all foods with “health care effects,” which are deemed to be scientifically proven capable of improving human health, but short of remedying human diseases (Article 2). Some of the provisions of the new law follow the structure of the **Law Governing Food Sanitation**.

Any food sold or advertised as having health care effects must be registered with the **Department of Health** (Health Food Control Law, Article 6). Anyone found guilty of advertising or offering for sale health food without an official permit may be punished by a fine of up to NT\$300,000, and repeat violations may result in a one-year suspension of the company or factory business license.

A permit must be obtained prior to advertising on any broadcast station or publication (Article 15). Any health food advertised without a permit is subject to confiscation and destruction (Article 18), while the publisher or broadcaster is subject to a fine of up to NT\$1,000,000 (Articles 14, 21). Furthermore, a broadcaster who allows advertising which exceeds the scope of the advertising broadcast permit faces fines (Article 24) of up to NT\$500,000 (approximately US\$16,600).

The publisher or broadcaster must retain the identity and contact details of any advertiser for six months and provide such information upon request of the **National Communications Commission** (Article 15). Failure to do so may result in a fine of up to NT\$300,000, which may be consecutively imposed for the number of times violations are committed (Articles 15, 24).

The greatest penalties are for claiming medical efficacy for health foods. A broadcaster which allows ads claiming medical efficacy for health foods faces fines of up to NT\$2,000,000 (approximately \$66,000). (Article 24)

## Gaming

See *Products and Services Banned from Advertising*, above.

The **Public Welfare Lottery** may be advertised by a bank specifically qualified by the **Ministry of Finance** to promote, sell, and manage lottery prizes. (**Public Welfare Lottery Issue Law**, Articles 2, 4.) The unauthorized sale or promotion of a lottery or other prize-awarding business is punishable as a crime (**Criminal Code**, Article 269). More severe sentences may be imposed on those who establish illegal gambling parlors (**Criminal Code**, Article 66).

## Legal Services

Legal services may be advertised, but such advertisements must not constitute deception or threats (**Attorney Regulation Law**, Article 30). Patent attorneys may not publish notices amounting to fraud or threats, or solicit business by improper means (**Patent Attorney Act**, Article 12). There is no definition of “improper means,” and there are as yet no court precedents to interpret the term. Until such time as there is a set definition, the term includes any actions which violate the requirements of the **Attorney Law**, the **Civil Code**, the **Fair Trade Law**, or a variety of other statutes.

## Medical Devices

No specific regulations

## Medical Services

The **Medical Care Act** provides that advertising for medical care is restricted to medical-care institutions in which physicians conduct the practice of medicine (Article 85). The content of such advertising is also restricted, limited to identification of the medical care provider and basic facts, including:

- Education of the medical care provider
- Specialties
- Hours
- Medical provider’s history
- Whether the provider is contracted with health insurance companies

Prohibitions include:

- Advertisements made by publicizing the name of other people, such as celebrity endorsements (Article 86)
- Publicizing content from medical journals to sell a product (Article 86)
- Using the Internet for false, misleading, or indecent advertisements for medical services, for illegal abortions, or to promote a medical practice that has been penalized three times in the prior year (Articles 85 and 103)

## Nonprofit Fundraising

No specific regulations

## Nutritional Supplements

See Health Foods under the heading Foods.

## Occult Services

No specific regulations

## Pharmaceuticals

Advertising of both medical care and drugs is carefully restricted and regulated. Only licensed pharmaceutical dealers are allowed to advertise sales of drugs (**Pharmaceutical Administration Act**, Article 65).

### Over-the-Counter

Any advertisement for over-the-counter drugs must be preapproved by the **Department of Health**. The entire ad, including all wording and images, must be submitted (**Pharmaceutical Administration Act**, Article 66). Once approved, an advertisement may be re-run multiple times for one year, which is the term of an advertising permit. An ad may be submitted for one-year extensions of the permit, multiple times. If the permit for an ad is not issued, the ad must be revised and re-submitted (**Pharmaceutical Administration Act**, Article 66-1).

### Prescription

Advertising for prescription drugs is restricted to academic medical journals (**Pharmaceutical Administration Act**, Article 67). These are presumably read only by doctors and specialists, and therefore are unlikely to have any sway over consumers. Furthermore, medicines may not be advertised by endorsement of a person nor by citing any book or publication (**Pharmaceutical Administration Act**, Article 68). A particularly strict provision is that news reports, interviews, or other content which imply or suggest medical efficacy will be regulated as advertising (Article 70). Therefore journalists and anyone being interviewed must, in theory, be very cautious about the level of enthusiasm they project about any particular pharmaceutical product. This standard contrasts with the standard for medical care advertising, which, while also strict, reverses the standard, so that publications or information about research on medical care will not be regulated as advertising unless they specifically solicit for a particular medical practice (**Medical Care Act**, Article 87).

## Political Candidates

No specific regulations

## Products Related to Sexuality

No specific regulations

## Religion

No specific regulations

## Sexual Services

*See Products and Services Banned from Advertising*

## Tobacco Products

Tobacco products are regulated by several laws, including the **Tobacco and Alcohol Administration Law**, its **Enforcement Rules**, and the **Tobacco Hazards Prevention Law**. The Tobacco and Alcohol Administration Law, Article 36, also states that other prohibitions may be established by the **Ministry of Finance**.

The **Tobacco Hazards Prevention Law**, Article 9, prohibits tobacco advertising or promotion:

- Through broadcast or publishing media, including use of the Internet
- In print media, including billboards, leaflets, reference manuals, samples, or on digital recording devices
- Through use of journalist interviews or reports to promote tobacco products without proper authorization
- By means of discounts
- By offering gifts or prizes
- Through sponsorship of sports or public-interest events, including tea parties, concerts, testing parties
- By advertising non-tobacco products with the same or similar trademark (for example, men's razors or jogging shoes marketed with the same brand name as a line of cigarettes)

The same article also prohibits bundling tobacco products with other products for sale.

Tobacco companies may not donate goods or money to any event, activity, or individual, whose direct or indirect purpose or effect is to market or promote tobacco use by consumers (Article 2).

Violations of these prohibitions will incur a penalty of up to NT \$25,000,000 (approximately US \$833,000) for tobacco importers and manufacturers, and up to NT \$1,000,000 for violations by media companies. Such penalties may be imposed repeatedly for each violation.

Products which are not in fact tobacco may not be advertised in a manner that misleads consumers to identify such products as tobacco (**Enforcement Rules of the Tobacco and Alcohol Administration Law**, Article 35).

## Toys

No specific regulations

## Regulations Related to Advertising Methodology

### Advertising to Children

Broadcasters may not run any advertisements which would impair the physical or mental health of children or juveniles. The **Standards for Advertising Production and Broadcast of Satellite, Radio and Television** (“**Production Standards**”) define this with a long list of adverse impacts that are prohibited, including:

- Violating inherent moral values, such as respect for teachers
- Inducing dissatisfaction with children’s existing possessions, and developing greed
- Directly instigating children to pressure their parents to accept suggestions in advertisements
- Using trusted authority figures, such as teachers and doctors, to promote products
- Encouraging children to engage in hazardous activities
- Failure to warn children not to imitate dangerous stunts
- Disturbing the audience with shrill sounds and flashing or shaking scenes
- Depicting owners of the advertised product as icons of respectability
- Demonstrations of contraceptive devices or female sanitary products with underage models
- Transmitting alcohol advertisements conveying the impression that drinking alcoholic beverages is a wonderful experience or leads to respectability

(Standards for Advertising Production and Broadcast of Satellite, Radio and Television, Article 3)

### Celebrity Endorsements

Subject to the **Fair Trade Law**, Article 21; see *Deceptive and Misleading Advertising*. Also, celebrity endorsements may not be appropriate for advertising during children’s broadcast programming; since (as noted under the previous heading) ads aimed at children should not use trusted authority figures to sell goods, and depicting ownership of the advertised product as leading to respectability is one of the factors listed as “impairing the physical or mental health of children.”

### Comparative Advertising

Subject to the **Fair Trade Law**, Article 21; see *Deceptive, False, and Misleading Advertising*. Also, if the advertisement fails to prove the truth of its claims, it fails to qualify under the **Standards for Advertising Production and Broadcast of Satellite, Radio and Television**, Article 3.

## Contests

Gambling and games of chance are prohibited, but there are no specific regulations on contests.

## Deceptive, False, or Misleading Advertising

**Article 21** of the **Fair Trade Law (FTL)** prohibits any misrepresentation of the quality or content of goods or services. No enterprise may make or use false or misleading representations or symbols as to price, quantity, quality, content, production process, production date, valid period, method of use, purpose of use, place of origin, manufacturer, place of manufacturing, processor, or place of processing on goods or in advertisements, or in any other kind of publicity.

Whether the depiction of a food as cooked and garnished when it is in fact sold raw, dried, or canned is a false or misleading statement depends on culture and consumer expectations. In Taiwan, foods are routinely advertised in cooked and garnished form, so it is generally understood that the ad is not depicting the product as purchased. However, the common understanding depends on past practices, and there are instances where a misunderstanding could be foreseen.

Deceptive, false, and misleading advertising are also subject to the **Standards for Advertising Production and Broadcast of Satellite, Radio and Television**, which prohibit advertising that violates regulations, impairs the physical or mental health of children, or disrupts social order or good social customs (Standards, Article 3).

## Disguised Ads

Subject to the **Fair Trade Law**, Article 21; see *Deceptive, False, and Misleading Advertising*. For rules specifying how advertisements must be distinguished from regular broadcast programming, see *Separating Advertising from Programming under Television and Radio Advertising* below.

## Free Gifts/Samples

Subject to the **Fair Trade Law**, Article 21; see *Deceptive, False, and Misleading Advertising*.

## Free Speech

Citizens are entitled to freedom of speech pursuant to the **Constitution of the Republic of China**, Article 11. However, the right is not absolute, and at times in Taiwan's history, such as under martial law, it has been curtailed. Specific provisions apply to broadcast media; see *Television and Radio Advertising* below.

## Length of Commercials

There is no specific regulation for all types of ads. However, broadcast stations may broadcast no more than 15 percent of their broadcast time in advertising, and advertisements may not be inserted into a program unless the program is longer than 30 minutes. (**Radio and Television Law**, Article 31; **Satellite Broadcasting Law**, Article 23.) News and weather programming may have up to three commercial breaks during a sixty-minute program. Programs other than those for news and weather may have up to four commercial breaks during a sixty-minute program.

Stations may apply for an increased number or length of commercial breaks during government assigned programming. (**Radio and Television Law**, Article 34.)

In the event that an advertisement exceeds three minutes in length, or is transmitted in the form of a program, similar to an "infomercial," the word "advertisement" in Chinese (廣告) must be displayed on screen for the duration of the advertisement. (**Radio and Television Law**, Article 45; **Satellite Broadcasting Law**, Article 23.)

## Nutritional Claims

The **Health Food Control Law** (see *Food*) requires that any foods which claim health care effects, short of medical effects, must have been scientifically proven before they can be claimed. For regular foods claiming only standard nutritional value, the **Commodity Labeling Law** requires truthful ads. Otherwise, there are no specific regulations, and the **Fair Trade Law** applies, so that all claims must be truthful and not misleading.

## **Rights of Privacy**

Companies that gather data on consumers have responsibilities to protect it. Personal information, such as financial condition, social activities, health, and education history, must be handled in a reasonable manner and protected unless the persons disclosed the information themselves (**Personal Information Privacy Law**, Article 6). Thus social networking sites need to be cautious not to release personal information to third parties, but have the argument in defense that the data was already disclosed by the user when posted on the site.

## **Product Demonstrations**

No specific regulations, but the general provisions of the **FTL** require that such demonstrations must not be misleading.

## **Regional Public and Community Standards**

National standards are set by law and regulation, but county and municipal authorities receive authority by some regulations.

## **Rebates**

No specific regulations, but bonus-point systems and credit-card cash-back systems are common.

## **Sex in Advertising**

No specific regulations, but the **Radio and Television Act** (Article 21) contains general provisions that advertisements may not be broadcast if they disrupt public order or adversely affect good social customs, or incite people to commit crimes or violate laws and orders, or impair the mental health of children, or if they are detrimental to national interests or ethnic dignity. Currently, the **National Communications Commission's Production Standards** provide guidelines which prohibit advertisements containing content relevant to sex or expressions that are indecent or contain improper or sexually suggestive acts (Production Standards, Article items 3, 6, and 10.)

## **Sponsorships**

No specific regulations

## **Subliminal Advertising**

No specific regulations

## **Sweepstakes Offers**

No specific regulations

## **Testimonials**

No specific regulations, but if misleading or false, will violate the **Fair Trade Law**

## **Tie-In Offers**

Tie-in offers may violate the **Fair Trade Law**, which prohibits any monopolistic practices.

## **Use of a Public Person's Image or Name**

See *Celebrity Endorsements* above.

## **Use of Children in Advertising**

No specific regulations



## Use of Foreign Language in Advertising

No specific regulations on advertisements for products other than alcohol (under *Alcohol*, above, see the reference to Article 15 of the **Enforcement Rules of the Tobacco and Alcohol Administration Law**).

## Use of Models as Doctors, Nurses, Lawyers or other Professionals

Not appropriate for advertisements run during children's programming. See *Advertising to Children* above and *TV and Radio Advertising* below. Furthermore, models who act the part of experts but are not experts constitute a misleading advertisement and would violate the **Fair Trade Law**.

## Violence in Advertising

Violence is prohibited from broadcast advertising.

## Other Regulations Particular to Taiwan

National policy requires that broadcasting content uphold anti-Communism and recovery of the Chinese mainland.

## Regulations Related to Media Channels

### Billboard Advertising

The **Sign and Billboard Advertising Administration Measures** of the **Architecture Law** require a permit prior to posting of public signboards which exceed a certain size. That size is two meters wide, or six meters long in the case of a vertical signboard (Article 3). Billboard permits expire after five years (Article 12).

Furthermore, in order to enhance Taiwan's position in international trade, any billboard posted in tourist hotels, department stores, shopping malls, or restaurants which are larger than 10,000 square meters must display English text on the advertisement (Article 13).

Certain public spaces and institutions may not accept billboard advertising, including public roads, public parks, historical sites, scenic spots, or places where billboards would impede public or traffic safety or a city's urban plan or appearance (Article 14).

### Digital Media Advertising

In 2012, Taiwan's **Fair Trade Commission** issued **Principles Concerning Internet Advertising**. These principles set forth requirements that websites and those advertising on websites must not mislead consumers about prices, quantity, quality, and several other key elements. In addition, the principles require online ads to state all limitations, procedures, and requirements clearly, and prohibit ads which require a consumer to call a store to ask for details (Article 8).

### Direct Mail Advertising

No specific regulations, but must not violate the **Fair Trade Law**.

### Email Advertising

No specific regulations. There is a pending draft of regulations prepared by the **NCC** regarding spam email, but the **Legislative Yuan** has not yet passed it.

### Periodical Advertising

No specific regulations

### Radio Advertising

See *Television and Radio Advertising* below.

## Social Media Advertising

See *Digital Media Advertising* above.

## Telemarketing

The **Fair Trade Commission** has issued **Principles on Handling Telemarketing Cases**. Principles set forth in Articles 5, 6, and 7

- require the telemarketing company to retain for 6 months any materials related to an advertiser, its promotional materials, and any written evidence or recording of any contracts made by telephone;
- prohibit telemarketers from participating in any active fraud or passive concealment of price, quality, volume, restrictions on sales or use, or time limits on promotional offers;
- place restrictions on charitable campaigns and lottery promotions; and
- prohibit use of harassment against consumers who are unwilling to entertain such calls.

## TV and Radio Advertising

The **Radio and Television Law** is the primary source of regulation of broadcast media. The law tasks the **National Communications Commission (NCC)** with regulating the radio and television broadcast industry (Article 3) and sets forth the following provisions:

### Pre-Clearance Required

The contents of all advertisements to be broadcast must be submitted to the **NCC** for review, and may not be altered after submission. The **NCC** may recall a previously approved ad based on changed circumstances (Article 33).

For advertisements for food, cosmetics, medicines, medical technology, medical professional services, and medical apparatus, broadcasters must obtain a pre-approval permit and certification from relevant agencies, such as the **Department of Health** (Article 34).

If a media company receives notice from the **NCC** to cease broadcasting a food or drug advertisement, it must suspend the advertisement from broadcast or publication on the next day following receipt of the notice. Failure to comply will incur penalties of up to NT 200,000 (approximately US \$6,500), for the broadcaster, and continuous daily fines until the ad is suspended (**Radio and Television Law**, Article 43).

### Disrupting the Public Order

Broadcasters may be held responsible for running advertisements which incite others to commit crimes. The list of crimes includes:

- Obstructing elections
- Impairing public order
- Interfering with public functions
- Blaspheming sacred ceremonies
- Performing forcible sex acts
- Undermining public decency

In the event that a broadcaster is found guilty, its license may be suspended for up to three months and it may be fined for up to NT\$400,000 (Article 44).

Articles 21 and 45 require that programs and advertisements must not:

- Harm national interests
- Incite people to commit crimes, disrupt public order, or spread rumors
- Mislead the public

These articles further provide that a broadcaster will have its operating license revoked if convicted of running an advertisement which:

- Is detrimental to national interests
- Harms ethnic dignity
- Promotes communism and harms the effort to recover mainland China
- Incites others to commit sedition, treason, or rebellious offenses

#### Election Candidates

Advertisements funded by the government may not contain content with participation by election candidates (Article 6).

#### Separating Advertising from Programming

The contents of a program or news program may not be provided by an advertiser (Article 31). Advertisements must be clearly separated from programming (Article 33).

Detailed rules for determining how to distinguish programming from advertising are set forth in **Principles for Determining Whether Programs and Advertisements are Separated**, Article 3. The principles include factors such as:

- Whether a sponsor's logo is identifiable during the show's title and credits
- Whether the show's title is inter-cut with advertising
- Whether program participants, such as newscasters, participate in advertising
- The extent of product placement in the show's props, gifts, associated telephone numbers, and so on
- Whether the program content uses celebrities, children, scientific data, or experimental design results to show the value of identifiable products or services

#### Quantity and Timing of Broadcasts

The principal rules are that stations may occupy no more than 15 percent of their broadcast time with advertising, and advertisements may not be inserted into a program shorter than 30 minutes. See *Length of Commercial* for more detailed provisions.

## Regulatory Agencies

Department of Health (DoH), Executive Yuan

行政院衛生署

No. 36, Tacheng St., Datong District

Taipei City 10341

Taiwan

Tel: [886] (2) 8590 6666

Fax: N/A

Web: [www.doh.gov.tw](http://www.doh.gov.tw)

Established under the Executive Yuan, the DoH is charged with promoting medical education, health care, and disease prevention, as well as food, drug, and cosmetic management and health insurance affairs. It also implements the Medical Care Act that sets requirements for advertisements concerning medical care.

Food and Drug Administration, Department of Health, Executive Yuan

行政院衛生署食品藥物管理局

No. 161-2 Kunyang St., Nangang District

Taipei City 115

Taiwan

Tel: [886] (2) 2787 8099

Fax: N/A

Web: [www.fda.gov.tw](http://www.fda.gov.tw)

Established under the Executive Yuan's Department of Health, the Food and Drug Administration is charged with ensuring the safety of pharmaceuticals and foods.

Fair Trade Commission

公平交易委員會

12-14 F, No. 2-2 Jinan Rd.,

Sec. 1, Zhongzheng District,

Taipei City 100, Taiwan (R.O.C.)

Tel: [886] (2) 2351 7588

Fax: N/A

Web: <http://www.ftc.gov.tw/internet/english/doc/docList.aspx?uid=178>

Enforces the law on prohibition of misleading or unfair advertising and trade practices.

Ministry of Finance (MOF)

財政部

2, Aiguo W. Road

Taipei 10066

Taiwan

Tel: [886] (2) 2322 8000

Fax: [886] (2) 2356 8774

Web: [www.mof.gov.tw](http://www.mof.gov.tw)

The central and local offices of the MOF are charged with regulating the tobacco and alcohol industries and administering the Tobacco and Alcohol Administration Law.

National Communications Commission (NCC)

國家通訊傳播委員會

No. 50, Sec. 1, RenAi Rd.

Taipei City 10052

Taiwan

Tel: [886] (2) 3343 7377

Fax: [886] (2) 2343 3994

Web: [www.ncc.gov.tw](http://www.ncc.gov.tw)

An independent statutory agency of the Executive Yuan, the Commission regulates the development of the communications and information industry and is responsible for licensing, [radio frequency](#), spectrum, [broadcasting](#) content regulation, and communications standards and specifications in [Taiwan](#). The NCC regulates advertising as part of its mandate to promote competition and protect consumers.

Construction and Planning Agency

內政部營建署

No. 342, Bade Rd., Sec. 2

Songshan District

Taipei City 105

Taiwan

Tel: [886] (2) 8771 2345

Fax: N/A

Web: [http://www.cpami.gov.tw/english/index.php?option=com\\_content&view=frontpage&Itemid=36](http://www.cpami.gov.tw/english/index.php?option=com_content&view=frontpage&Itemid=36)

Established under the Ministry of Interior, the agency promotes and regulates development of national parks, wetlands, and urban development.

## Key Laws and Regulations

### Fair Trade Law (FTL)

公平交易法

This law is administered by the Fair Trade Commission to protect consumers and ensure market participants deal honestly and avoid unfair practices by sellers and advertisers.

### Radio and Television Law

廣播電視法

This law is administered by the National Communications Commission (NCC) to protect the public and ensure proper use of broadcasting resources.

### Satellite Broadcasting Law

衛星廣播電視法

This law is administered by the NCC to protect the public interest and promote the communications industry and strengthen regional cultural exchange.

### Standards for Advertising Production and Broadcast of Satellite, Radio and Television

衛星廣播電視廣告製播標準

This standard is administered by the NCC to protect the public by regulating broadcast content.

### Tobacco and Alcohol Administration Law

菸酒管理法

This law is administered by the Ministry of Finance to protect the public and promote safe tobacco and alcohol manufacture, distribution, and use.

### Commodity Labeling Law

商品標示法

This law enacted for the purposes of promoting correct and proper commodity labeling, safeguarding the good standing of business operators, protecting the rights and interests of consumers, and establishing good commercial practices.

### Medical Care Act

醫療救護法

This law is administered by the Executive Yuan's Department of Health to protect the public and advance the development of medical care.

### The Pharmaceutical Administration Act 藥物藥商管理法

This law is administered by the Executive Yuan's Department of Health to protect the public and regulate the manufacturing, import, and distribution of drugs and medical devices.

### The Architecture Law's Sign and Billboard Advertising Administration Measures 招牌廣告及樹立廣告管理辦法

This law is administered by the Ministry of Interior's Construction and Planning Agency to protect the public and ensure orderly development of outdoor advertising and signage.

## Advertising Pre-Clearance Agencies

The **National Communications Commission (NCC)** must pre-clear ads before they are run on television, radio, or satellite TV. The **Department of Health** must issue a pre-clearance permit before any ads are run regarding food, cosmetics, medicines, medical technology, medical professional services, and medical apparatus. Failure to comply will incur penalties of up to NT 200,000 (approximately US\$6,500) for the broadcaster, and continuous daily fines until the ad is suspended (**Radio and Television Law**, Article 43).

## Trends

### Use of the Local Dialect

After the National Democratic Party (Kuomintang, or KMT) government fled the mainland and settled in Taiwan in 1949 after China's civil war, all broadcasting was required to be made in Mandarin. Traditional mainland culture was emphasized and sponsored by the national government. However, in recent years, particularly after the Democratic People's Party (DPP) won the Presidential election in 2000, there has been a cultural shift. The trend has been to promote Taiwan aboriginal culture, and the use of a different dialect, Fujianese or Minnanyu.

### Use of Japanese and English

Taiwan has a high proportion of educated professional workers, many of whom have studied abroad. This is reflected in the use of some foreign words or phrases in common slang, like "Ku!" for "cool!" The most commonly spoken foreign languages are Japanese and English. Broadcast content and advertising sometimes sprinkle in Japanese or English words to give an appearance of sophistication and international appeal.

### Use of Social Networking

Foreign companies with an established presence in Taiwan, and major Taiwan retailers and department stores are starting to use social networking as an additional means of reaching consumers.

### Use of Bonus Point Systems

Many retailers, credit cards, and travel companies provide a frequent buyer point system to allow consumers to accrue points and credits for shopping loyalty.