



2024 AVIA Regulating for Growth – OCC TV Matrix for China¹

Questions	OCC TV	Foreshadowed changes?
<p>1. How regulated? <i>Details of regulator/s</i></p>	<ul style="list-style-type: none"> • Various government-controlled regulatory agencies in China exercise overlapping authority, including the Ministry of Industry and Information Technology (MIIT) (value-added telecoms services such as internet content providers or information service providers), the National Radio and Television Administration (NRTA) (replacing SAPPRT in 2018) (content regulation), State Administration for Market Regulation (SAMR) (intellectual property protection, advertising and subscription fee administration), Cyberspace Administration of China (CAC) (internet news and monitoring of online content) and Ministry of Culture and Tourism (online transmission of “internet culture products” including music and gaming). • The regulatory regime for Online Curated Content (OCC) television services distinguishes between audiovisual programming delivered (i) via the Internet to physical television sets with or without set-top boxes or via a private managed network (such as VPN or LAN) to other devices, i.e., TV and various handheld electronic devices such as mobile phones (OCC Type I) and (ii) via the internet to devices other than physical television sets (OCC Type II). (Art. 2 of the Administrative Regulations on Broadcasting Audio-visual Programs via Special Network or Directional Communication, Art.2 of the Administrative Regulations on Internet Audio-visual Programs, and the Catalogue of Online Audio-visual Programs Services) • PRC regulations for OCC TV services are fragmented. The major regulations include the Provisions on the Administration of Private Network and Targeted Transmission Audiovisual 	<p>None.</p>

¹ For the purpose of the matrix, “China” or “PRC” shall mean the People’s Republic of China, excluding the Special Administrative Regions of Hong Kong and Macau, and Taiwan region.

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	<p>Programme Service and the Provisions on the Administration of Internet Audiovisual Programme Service.</p> <ul style="list-style-type: none"> • Administrative review (by a higher-level administrative body) and judicial review of regulatory decisions is technically available but rarely sought. 	
<p>2. Copyright protection?</p>	<ul style="list-style-type: none"> • Online content piracy is widespread. Pre-2009, internet TV manufacturers worked with online video companies to build up platforms for “over-the-top” (OTT) TV operation, causing online piracy to spread to Internet TV. However, most partnerships between Internet TV manufacturers and online streaming websites terminated with the introduction of the SAPPRT (now NRTA) permit system in 2009 which, given its strict requirements for content (the same as for traditional TV platforms), indirectly bolstered copyright protection. (Art.7 of the Administrative Regulations on Internet Audio-visual Programs) • NRTA has also required online internet audiovisual programme service providers to take measures to protect copyright and the legitimate rights and interests of copyright proprietors, failing which may lead to administrative penalties. (Art.15 of the Administrative Regulations on Internet Audio-visual Programs) • The Copyright Law of the People’s Republic of China was amended in 2020, with effect from 1 June 2021, which further strengthens the protection of copyright. Broadcasting, reproduction, or dissemination of content without consent from copyright holder may face both civil liability and administrative penalty. • Despite government controls including a prohibition on networks that circumvent China’s censorship rules to conduct cross-border business, China has become a hub for streaming intercepted international programming onto the global internet, pushed by criminal syndicates profiting from subscriptions, sales of internet-linked set-top boxes, and from advertising. 	<ul style="list-style-type: none"> • The National Copyright Administration announced “Copyright Work 14th Five-year Plan” (2021-2025), which emphasises the importance of copyright and calls on a more comprehensive legal framework and administrative protection system.

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<p>3. Convergence and new technologies</p>	<ul style="list-style-type: none"> OCC players must obtain the relevant License for Spreading Audiovisual Programmes via Information Networks issued by NRTA (an AVSP Licence) depending on the type of content of the audiovisual programmes. (Art.7 of the Administrative Regulations on Internet Audio-visual Programs). Since a reform in the rules in January 2008, an AVSP has only been only available to state-owned enterprises. <p><u>OCC Type I:</u></p> <ul style="list-style-type: none"> Only those holding an AVSP for content and aggregation services relating to OCC Type I may provide OCC Type I services (OCC Type I TV AVSP). However, such OCC Type I TV AVSP status is only available to certain traditional cable TV service providers (TV Channel Operators). (Art. 7 of the Administrative Regulations on Broadcasting Audio-visual Programs via Special Network or Directional Communication) Internet TV aggregators can only install set-top box products (which are produced jointly with Internet TV set-top box manufacturers) into designated pilot areas which are subject to convergence plans. TV live shows may only be watched through IPTV or cable TV network, while OTT is prohibited from providing live TV shows.² <p><u>OCC Type II:</u></p> <ul style="list-style-type: none"> The operators of OCC Type II businesses must obtain a value-added telecom service permit from the MIIT or its provincial level 	<ul style="list-style-type: none"> NRTA promulgated the “14th Five-Year Plan for technology development of radio, television and online audio-visual programme”. The plan proposes to accelerate the upgrade of IPTV and OTT services and improve the standard system. Though there is not a specific timeline for the convergence of the telecommunication network, the cable TV network, and the internet, we expect to see updates in practice. NRTA also sets plans to improve the management mechanism for cable TV, IPTV and OTT in its statement in October 2023. A draft regulation issued by NRTA provides specific management requirements for cable TV and OTT.³ There has been no further development as of the time of writing.

² This requirement is set out in the Requirements for the Operation and Management of Institutions Holding Internet TV Licenses issued by NRTA in 2011, and reemphasised by NRTA in 2023. However, we are not aware of an official text having been released for either regulation. Please see [here](#) and [here](#) (Chinese) for third-party versions.

³ [Regulations on the Administration of Radio, Television and Internet Audio-visual Programme Production and Operation \(Draft for Public Comments\)](#) (Chinese)

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	<p>counterparts. (Art.11 of the Administrative Regulations on Internet Audio-visual Programs)</p> <ul style="list-style-type: none"> Additional licences may apply depending on the content provided by the OCC player (e.g. Licence for Providing Internet News Information Services). (Art.9 of the Administrative Regulations on Internet Audio-visual Programs) 	
<p>4. Licensing of foreign channels <i>Allowed, prohibited or unregulated?</i></p>	<p><u>OCC Type I</u></p> <ul style="list-style-type: none"> Theoretically, OCC Type I is subject to the same restrictions as traditional TV. Except for pay TV (i.e., IPTV), re-transmission of foreign channels is generally prohibited; any import of foreign content on OCC Type I requires the prior approval of NRTA, although political and current affairs news programmes are completely banned. (Art. 17 of the Administrative Regulations on Broadcasting Audio-visual Programs via Special Network or Directional Communication) This rule is to a certain extent ignored by the internet TV streaming piracy syndicates, whose content is available both inside and outside China. <p><u>OCC Type II</u></p> <ul style="list-style-type: none"> Foreign films and teleplays may only be screened by domestic providers over OCC Type II when (i) the films and teleplays have been duly examined by NRTA, and (ii) the relevant NRTA Licence has been obtained. (Art.2 and Art.3 of the Circular on Further Implementing Regulation of Online Foreign Films and Television Programs (NRTA Circular)) 	None.
<p>5. Licence fees and taxation</p>	<ul style="list-style-type: none"> No published industry-specific licence fees or taxation exist. 	None.
<p>6. Rate regulation <i>Including wholesale and retail rate regulation and whether</i></p>	<ul style="list-style-type: none"> No published government-determined rates exist. NRTA and other government departments have taken actions since 2023 on multiple pricing of OTT and IPTV that make it difficult for consumers to understand the full cost. The average 	None.

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<i>there are any price controls on eg. basic tier</i>	subscription fee packages of both OTT and IPTV were reduced by at least 50% at the end of 2023.	
7. Programme packaging <i>Including tiering, bundling, any mandatory a la carte</i>	<ul style="list-style-type: none"> No published restrictions exist. 	None.
8. Restrictions on advertising <i>Including localisation rules, revenue and minutage restrictions</i>	<ul style="list-style-type: none"> Ads must not interfere with the normal use of internet and “pop-out” ads must contain a close button. Administrative Measures for Internet Advertising issued by SAMR in 2022 prohibit certain types of advertising content. See Advertising matrices for more information. 	None.
9. (a) Content regulation <i>Including local content quotas, content control and insertion of classification and other content labels into international feeds</i>	<ul style="list-style-type: none"> No published local content quotas exist. General requirements regarding internet content similarly apply to both types of OCC TV services, including that such content should not violate basic principles specified in constitutional laws, harm the unity, sovereignty or territorial integrity of China, or harm the social morality or damage the cultural traditions of China. (Art.16 and Art. 17 of the Administrative Regulations on Internet Audio-visual Programs) Films and teleplays are subject to censorship and approval of NRTA, as is required for cable TV. (Art.1 and 2 of the Circular on Strengthening the Content Management of Internet Audio-visual Programs) The China Netcasting Services Association (CNSA) requires that all online content providers should conduct self-censorship before any content is made public. Whilst in nature these guidelines only bind the members of the association, major television and internet service providers are members of CNSA and therefore subject to its supervision. <p>OCC Type I</p> <ul style="list-style-type: none"> OCC Type I content aggregators have the same obligations as TV Channel Operators. All imported programmes are subject to 	None.

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	<p> censorship and approval. These content aggregators are required to review the content to be provided on their platforms to ensure its compliance with PRC laws. (Art. 19 of the Administrative Regulations on Broadcasting Audio-visual Programs via Special Network or Directional Communication) </p> <p>OCC Type II</p> <ul style="list-style-type: none"> • OCC Type II content must also comply with strict content rules. NRTA has issued a circular requiring online content providers to closely self-regulate online video content. • The annual total amount of foreign films and teleplays introduced by a single website for broadcasting shall not exceed 30% of the total amount of domestic films and teleplays purchased by the website for broadcasting in the previous year. (Art.3 of the NRTA Circular) • Operators of websites introducing foreign films and teleplays are required to seek NRTA’s prior approval before making content available on the website. (Art.5 and Art.6 of the NRTA Circular) 	
<p>9. (b) Content regulation <i>Including languages, dubbing/subtitling and captioning</i></p>	<ul style="list-style-type: none"> • Guidelines released by CNSA require that all audiovisual content published online must strictly follow PRC laws and regulations in relation to the use of standard Mandarin. • Ads should use Mandarin voiceover and simplified Chinese characters. • Generally, for OCC Type II (to which these regulations apply), in practice the discretion of the regulator will heavily influence the determination as to whether content conforms to the regulations. While regulations are not construed and implemented so strictly as in pay TV and OCC Type I, if audio-visual content is regarded as being in violation of the regulations, the regulator would request the platform remove the relevant content. As a result, platform providers would usually also self- 	<p>None.</p>

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	<p> censor content before making it publicly available online to minimise the risk of violation.</p> <ul style="list-style-type: none"> • There is no published explicit exemption provided by the regulations but, for the reasons described above, the regulation itself and its application in practice possess a certain extent of flexibility. 	
<p>10. Programme supply restrictions <i>Including must provide rules and other restrictions on exclusivity and anti-siphoning rules</i></p>	<ul style="list-style-type: none"> • No published restrictions exist. 	None.
<p>11. Restrictions on FDI <i>Including platforms and wholesale supply of programming and cross-media ownership restrictions</i></p>	<ul style="list-style-type: none"> • Although the 2019 Special Administrative Measures (Negative List) for Foreign Investment Access to the Market lifted the restrictions on foreign investment in traditional cable/satellite TV stations, the relevant media laws and regulations remain unchanged and valid. As such, only state-controlled enterprises can currently invest in and hold interests in these TV stations. • OCC Type I: Foreign investment is prohibited. • OCC Type II: Foreign investment is prohibited. • However, some Chinese OCC companies use Variable Interest Entity (VIE) structures to attract overseas investors into contract-based investments. • Foreign investment is also prohibited in online news businesses, online audio programme services and all online culture businesses other than music. • Providing technical services rather than content integration or supply for OCC TV is permitted to foreign investors. • Above rules are ignored by piracy syndicates, some of whom appear to have significant foreign involvement. 	None.
<p>12. Retransmission arrangements <i>Including must carry and remuneration</i></p>	<ul style="list-style-type: none"> • No published restrictions exist. 	None.

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13. Consumer protection Including cooling-off period, termination rights and payment mechanism	<ul style="list-style-type: none"> There are general obligations that apply to OCC service providers, including obligations to ensure that there are no unfair restrictions on users, and to make public disclosures of the charges and terms of the services (if any). (Art.19 of the Administrative Regulations on Internet Audio-visual Programs) 	None.
14. Entering a new market: FAST TV	<ul style="list-style-type: none"> See AVSP licence discussed under “Convergence and new technologies”. This licence is currently only available to State-owned enterprises under PRC law (although there were precedents where private-owned enterprises obtained such licences before this restriction became effective in 2008) and is not available for foreign investors. 	None.
15. Data handling	<ul style="list-style-type: none"> OCC service providers engaging in online news business must record the contents and the time, the internet address or the domain name of publication provided to their users, the time of their users' access to the Internet, and the account numbers and the telephone numbers of the users for the connection, etc., and keep such records for a period of sixty (60) days in case requested for review by the relevant authorities. (Art.14 of the Administrative Measures of Internet Information Services) OCC service providers must also maintain collected data confidentiality and not divulge, misuse, alter or sell such information or provide such information to other parties illegally. Generally OCC service providers are required to protect the rights and personal information of their users, (Art.19 of the Administrative Regulations on Internet Audio-visual Programs) to maintain digital personal data securely and to take remedial measures immediately in the event that the digital personal data has been or is likely to be divulged, damaged or lost. Under the PRC Cybersecurity Law, network operators are required to establish a user information protection system, including internal security management systems and operating procedures and adopt measures to prevent the leak, destruction or loss of collected personal data. 	<ul style="list-style-type: none"> OCC service providers may be deemed as large-scale public information network services providers, and thus are expected to be classified as operators of critical information infrastructures under China’s cybersecurity regime. Therefore, they will be subject to localisation requirements with respect to personal information and important data collected and generated during operation within the territory of China. (Art. 37 of the PRC Cybersecurity Law and Art. 18 of the Regulations for the Security Protection of Critical Information Infrastructure) OCC service providers should pay attention to China’s evolving data export mechanisms and fulfil relevant obligations.

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	<ul style="list-style-type: none"> Under the PRC Personal Information Protection Law, OCC service providers must expressly notify and obtain prior consent from individual customers if products or services collect personal information (including name, address and ID document number), clearly stating the name and contact of data collector, purpose, means, kind and storage period of their data collection and the means and procedure of exercising rights to their users at the time of collection. 	
Other country-specific information not already covered	<ul style="list-style-type: none"> Entities providing online short videos must obtain an AVSP or be included in the regulatory management of NRTA. Online short-videos are to be managed to the same standards as of other OCC TV content.⁴ 	<ul style="list-style-type: none"> According to a circular from NRTA, detailed rules for the creation, production and content review of online short dramas will be formulated in the future, but a timetable is not set for this. While market commentary suggests that an internal memorandum within NRTA proposes tiered regulation of short videos based on total investment amount (differentiating obligations of content review, filing requirements, etc.), these proposals are yet to be officially released by the authorities as of the date of writing.

⁴ [Circular on further strengthening the management of online short dramas and implementing the creation improvement plan](#)