Content

Title：	Telecommunications Universal Service Regulations Ch
Date：	2025.03.10
Legislative：	1.A total of 28 articles were enacted with the 90th postal number of the 35th order on June 15, 2001. 2.Articles 13, 15, 16, 18, 19, 21, 26 and 27, and appendices 1, 2 and 3 were amended and published with the MOTC postal number of the 092B000039 order on April 30, 2003. 3.Articles 21 and 28 were amended and published with the MOTC postal number of the 0940085014 order on April 12, 2005. 4.Articles 5, 7 and 27 and remarks were amended and published with the communications camp number of the 09505107660 order on October 5, 2006; article 14 was deleted. 5.Article 29 was amended and published with the communications enterprise number of the 09505154240 order on December 29, 2006. 6.Articles 14, 17 and 19, and appendices 1 were amended with the communications camp number of the 09741009310 order on February 29, 2008. 7.Article 17 was amended with the communications camp number of the 09841022930 order on April 20, 2009. 8.Article 13 was amended with the communications camp number of the 09941006960 order on February 21, 2010. 9.Article 2,13,14 and 17 was amended with the communications camp number of the 10241010090 order on Apr 2, 2013. 10.Article 2,4,6,9 and 19 was amended with the communications platform number of the 10841002450 order on February 14, 2019. 11.Amended on July 10, 2020. 12.Abolished on March 10, 2025.
Content：	Chapter 1 General Principles Article 1 This set of regulations is set forth in accordance with Article 20, Paragraph 4 of the Telecommunications Act. Article 2 The terms adopted in this set of regulations are defined as follows: I. Telecommunications Universal Service (hereafter "universal service" or "US") : Indispensable telecommunications services with a reasonable level of quality provided fairly and at reasonable rates for all citizens. II. Voice-based Telecommunications Universal Service: Voice-based telecommunications services between the outgoing end and the incoming end provided over the public telecommunications network. III. Telecommunications Universal Service on Data Transmission: Service of the provision of access to the Internet Service over wired or wireless Broadband Telecommunications Network. IV. Universal Service Provider: Type 1 telecommunications enterprises providing one or more category of universal service. V. Participating Universal Service Carriers: telecommunications enterprises designated as being required to contribute towards sharing the losses incurred in the provision of universal service and its necessary administrative costs. VI. Necessary Administration Cost: examination cost, transportation cost, attendance cost, requested investigation cost and other necessary administration costs. VII. Net Universal Service Costs: the net losses incurred by universal service providers in the provision of universal service. VIII. Avoidable Costs: costs that universal service providers may avoid or save by not providing universal service. IX. Revenue forgone: losses in revenue by universal service providers as a

result of not providing universal service.
X. Uneconomic Public Payphone: Public payphone (hereafter "payphone") that has been approved by the competent authority (NCC) where under normal business conditions or without any subsidy, the avoidable costs that a universal service provider may incur for the provision of a single payphone service exceeds its revenue forgone.
XI. Uneconomic Area: The service area of a single local exchange office (hereafter "local exchange area") or mobile broadband transmission station that has been approved by the competent authority (NCC) where the avoidable costs incurred by a universal service provider for the provision of telephone service in a remote area exceeds its revenue forgone.
XII. Remote Area: Townships, (Towns, Cities and District) with a population density no more than one-fifth of the average national population density, or outlying area at least 7.5 km away from the location of the cabinet-level municipality, county or city government.
XIII. Incumbent Operator: fixed telecommunications network operators in legal operation prior to the promulgation of the Regulations Governing Fixed Telecommunications Network Procedure on May 18, 1999.
The service area of a universal service provider's local exchange office shall be considered as a remote area by the competent authority (NCC) in accordance with the following conditions and conditions of transportation, power supply, telecommunication infrastructure, household socio-economic or other factors:
I. Service areas adjacent to remote areas.
II. Townships, (Towns, Cities and District) with a population density of between one-fifth and one-quarter of the average national population density.

Article 3
The competent authority for Telecommunications Universal Service is the National Communications Commission (or hereafter "NCC")

Article 4
Universal service includes Voice-based Telecommunications Universal Service and Data Transmission Telecommunications Service.
In addition to the fixed network telecommunications operators, local internet service providers or local/domestic long-distance land cable leased-circuit operators, universal service may be provided by a mobile broadband operator through the base station in any of the following circumstances:
I. It is limited to a specific village designated by the competent authority in accordance with the second item of Article 13.
II. Due to the features of the topography, it is impractical to deploy fixed communication data access networks.
III. The village in which the base station is located has not been included in the calculation of the radio frequency usage fee discount condition and approved by the competent authority.
IV. Residents and real estate owners with broadband demand sites have agreed to build base stations.
V. The relay transmission circuit is sufficient for the bandwidth requirement of the mobile broadband high-speed base station.
VI. The relay transmission circuit is sufficient for the bandwidth requirement of the mobile broadband high-speed base station.
VII. The municipal, county (city) government or township (Towns, Cities and District) public office agrees to assist the base station to set up use.
The net universal service costs and the necessary administration costs of universal service shall be shared among contributing parties in accordance with this set of Regulations. Universal service contributing parties shall include Type 1 telecommunications service and the Type 2 telecommunications service designated by the competent authority (NCC).

Chapter 2 Voice-based Telecommunications Universal Service
Article 5
Voice-based Telecommunication Universal Service includes uneconomic public payphones and telephone service in uneconomic areas.

Article 6
The incumbent Operator shall, by June 1 of the year prior to the fiscal year in which universal service is implemented (hereafter named the "implementation year"), submit the Annual Universal Service Implementation Plan (hereafter named the "implementation plan") based on the cabinet-level municipalities, counties and cities which are publicly designated as the implementation units by the competent authority (NCC), and apply to the competent authority (NCC) for accreditation as universal service providers for uneconomic public payphone and telephone services in uneconomic areas. In addition to the incumbent operators, other local network operators or mobile broadband operators shall also apply to become a universal service provider for telephone service in uneconomic areas in accordance with the aforementioned procedure.
The "Implementation Year" as stated in paragraph 1 refers to the calendar year from January 1 to December 31.
The competent authority (NCC) shall publicize the Implementation Plan in accordance with paragraph 1 and paragraph 2 no later than July 1 of the year prior to the implementation year. Local network operators or mobile broadband operators shall once again submit improved implementation plans no later than August 1 of the same year, and apply for accreditation as a universal service provider for telephone service in uneconomic areas.
The competent authority (NCC), before approving the previous implementation plan, shall compare the net universal service costs, requested subsidy amounts, and the predicted improvements in service penetration and quality as outlined in various implementation plans; and in consideration with the actual operating abilities of the applicants, the competent authority (NCC) shall then choose the best implementation plan; if necessary, the competent authority (NCC) must request the applicant to amend its proposed implementation plan.

Article 7
The implementation plan shall clearly outline the following items:
I. The indicators of universal rate and service quality prior to the implementation of the universal service in the implementation year.
II. Predictions of maintenance or improvement of the universal rate and service quality indicators of the telephone service in uneconomic area after implementation of the universal service in the implementation year.
III. Implementation solutions and the tariffs of the universal service in the implementation year.
IV. Estimates of the net universal service costs of the implementation year, and the amount of subsidies required.
V. Detailed calculations of the net universal service costs required in the implementation year.
Implementation plans published by the competent authority (NCC) under Articles 6 and 9 of the Regulations do not include the contents of item 5 of the above paragraph.
For the implementation plan described in paragraph 1, the net universal service cost sheet in the implementation year shall be tabulated in accordance with the main compilation points of the telecommunications universal service financial statement.

Article 8
The net universal service costs for uneconomic area telephone service and uneconomic public payphone service are the avoidable costs incurred by the universal service provider in connection with the fulfillment of the service obligation less any revenues forgone.

Article 9
The avoidable costs of the telephone service in uneconomic area shall be calculated in accordance with the formula as stated in Appendix 1.
The revenue forgone for the fixed telecommunications service in an uneconomic area shall be the sum of the following listed revenues as collected from the provision of telephone and other related services by the universal service providers in a single local private branch exchange network of the remote area:
I. Monthly rental revenue

II. Phone charge revenue
III. Installation and connection revenue
IV. Extension charges
V. Internet connection charges
VI. Rental revenue from leased circuit or other networking equipment
VII. Internet access service revenue
VIII. Other service revenue
IX. Other non-operating revenue The revenue forgone for the mobile broadband transmission station in an uneconomic area shall be the sum of the following listed revenues as collected from the mobile broadband transmission station services by the universal service providers of the remote area.
If the district in which the single local private branch exchange network serves crosses remote and non-remote areas, the universal service provider shall, in its calculations of the total net universal service costs of the telephone service in an uneconomic area, include the net universal service cost incurred by the district in which the single local private branch exchange network serves.
Appendix 1：Avoidable cost formula for telephone or data communication access service in uneconomic areas.pdf

Article 10
The avoidable costs of uneconomic public payphone service shall be calculated in accordance with the formula as stated in Appendix 2. The revenue forgone for an uneconomic public payphone service shall be the service income as derived from a single public payphone booth. The following are the subsidy methods of uneconomic universal public phone service:
I. Subsidize two uneconomic public payphone booths within a radius of two hundred meters in remote areas
II. Subsidize one uneconomic public payphone booths within an area of two square kilometers in non-remote areas The competent authority (NCC) shall, in accordance with the actual requirement, adjust the subsidy amount of the installation of uneconomic public payphones in government bureaus, local schools, hospitals, prisons, military camps, train stations, airports, congress, and mountainous areas; the subsidy is not limited by the previous regulations.
Appendix 2：Formula for the calculation of avoidable costs for uneconomic public payphone service.pdf

Chapter 3 Telecommunications Universal Service on Data Transmission
Article 11
Telecommunications Universal Service on Data Transmission includes Telecommunications Universal Service on Data Transmission in uneconomic areas and discounts of Internet access offered to local schools and public libraries.

Article 12
The service provider of the Telecommunications Universal Service on Data Transmission in uneconomic areas shall provide services based on economic and effective technology.
The aforementioned economic and effective technology refers to the technology capable of reaching out to the maximum number of users outside uneconomic regions or achieving the transmission speed of the Telecommunications Universal Service on Data Transmission as approved by the NCC

Article 13
Incumbent operators and other type 1 telecommunication service providers shall, in accordance with the implementation plan of Telecommunications Universal Service on Data Transmission in uneconomic areas, propose method, content, implementation year, implementation duration and net service cost calculation method under Articles 6 and 9 of the Regulations. For service providers that apply for Voice-based Telecommunications Universal Service and Telecommunications Universal Service on Data Transmission in uneconomic area at the same time, the net service cost of the implementation plan of

Telecommunications Universal Service on Data Transmission in uneconomic area shall deduct the proposed net cost of Voice-based Telecommunications Universal Service.
The administrative authority may, prior to March 1st of the year before the implementation year, according to the demand of the uneconomic area, promulgate and designate the incumbent operator or other Type I telecommunications enterprises to provide digital communication access universal service to specific villages and neighborhoods, the incumbent operator or other Type I telecommunications enterprises shall incorporate the universal service into the implementation plan in the aforementioned paragraph.

Article 14
Fixed network telecommunications operators, local internet service providers or local/domestic long-distance land cable leased-circuit operators engaging in Type II telecommunication internet access service and providing local Data Transmission internet access to elementary schools, high schools and public libraries with discounted fees have no need to submit an implementation plan.
Local and domestic long-distance land cable leased-circuit operators that are not engaged in Type II telecommunications internet access service and provide data transmission internet network access at reduced rates to elementary schools, high schools, and public libraries, which are qualified as one of those listed below, shall be administered in accordance with the provisions of the foregoing paragraph.
I. Local data transmission internet access provided to elementary schools and high schools by leased-circuit operators shall be connected to the Taiwanese academic network.
II. Local data transmission internet access provided to elementary schools and high schools by leased-circuit operators shall be connected to the network through Type II telecommunications internet access service providers.
III. Local data transmission internet access provided to public libraries by leased-circuit operators shall be connected to the Taiwanese academic network or government's service network providers.
IV. Local data transmission internet access provided to public libraries by leased-circuit operators shall be connected to the network through Type II telecommunications internet access service providers.
The elementary schools and high schools mentioned in I and II refer to those established under the approval of governmental agencies; public libraries refer to national libraries as well as provincial, municipal, county and local libraries.

Article 15
Schools and public libraries desiring Internet access shall select legal operators for the provision of Telecommunications Universal Service on Data Transmission.

Article 16
The competent authority (NCC) shall, no later than December 1 of the year prior to the implementation year, set forth the subsidy available for the provision of Telecommunications Universal Service on Data Transmission. The previous items of the discounts and subsidies are limited by the monthly rental charge of the local transmission circuit.

Chapter 4 Operations and Management for Universal Service
Article 17
The competent authority (NCC) shall, no later than December 1 of the year prior to the implementation year, set forth the universal service providers and the implementation plans.
Every universal service provider shall provide universal service in accordance with the previous implementation plan in the implementation year. However, in case of unpredicted events such as a necessary change of plan, the universal service provider shall apply for change of implementation plan to the competent authority (NCC) and carry out the change after approval.

The provider of the Voice-based Telecommunications Universal Service stated in paragraph 1 shall, if the implementation plan already includes provision of the facilities for Telecommunications Universal Service on Data Transmission, provide Telecommunications Universal Service on Data Transmission in uneconomic areas in accordance with functions of the facilities; the service provider shall not apply for extra subsidy of Telecommunications Universal Service on Data Transmission in uneconomic areas based on the facilities.

Article 18
Universal service providers shall not reject any service applications in the areas in which they serve without eligible reasons; apart from the approved fee charges, the providers are not permitted to charge subscribers extra costs.

Article 19
Universal service providers shall submit universal service subsidy applications and the related information to the competent authority (NCC) for subsidies of the implementation year no later than May 1 of the year following the implementation year. Universal service subsidy applications of Voice-based Telecommunications Universal Service and Telecommunications Universal Service on Data Transmission shall contain the following information:
I. Statistics of the universal service implementation results (including the effectiveness of the improvements in terms of universal service penetration and the service quality, additionally the effects on society shall be analyzed) .
II. Net costs of various universal service categories and the requested amount of subsidy.
III. Audit, by certified accountants, detailed calculations of the net universal service costs for each implementation year.
IV. A document as proof that the transmission station has been certified and has passed the examination.
Subsidy application of the Telecommunications Universal Service on Data Transmission in local schools and the public libraries shall contain the following information:
I. Statistics of the universal service implementation results (including the accessible circuit statistics, service quality and tariffs of Telecommunications Universal Service on Data Transmission as provided to schools and the public libraries) .
II. Audit, by certified accountants, universal service subsidy requests of the universal implementation year.
Universal service providers, when calculating the Penetration of Voice-based Telecommunications Universal Service and Telecommunications Universal Service on Data Transmission in all regions, shall be based on the proportion of total households in the area with telephone service to the total number of households in the area.
The subsidies as requested in items (1.ii) and (2.ii) shall include the three months' interest as calculated from the one-year fixed deposit interest rate as announced by the Bank of Taiwan on the day of application. The subsidies, after deduction of the above interest, in item (1.ii) of Voice-based Telecommunications Universal Service and Telecommunications Universal Service on Data Transmission as calculated by the universal service providers cannot exceed 105% of the predicted subsidy amounts in the approved implementation plans of the service providers.
For the subsidy application described in paragraph 1, the net universal service cost sheet in the implementation year shall be tabulated by the service providers in accordance with the main compilation points of the telecommunications universal service financial statement.
Universal service providers shall regulate a procedure manual for accounting purposes, and apply for approval before its implementation. Approval is also required for any revisions of the procedure manual. However, when local Data Transmission internet access service is provided according to Paragraph 1, Article 14, the provider has no need to apply for approval.
If deemed necessary, the administrative authority may order the universal

service provider to revise the procedure manual.
If there are any significant changes in organization, business and operation of the universal service provider that lead to the revision of the procedure manual, the universal service provider shall revise accordingly, and report to the administrative authority for reference after such revision.
The procedure manual, in Paragraph 7, shall state and describe concrete methods and procedures of determining the primary factors of the financial statement of telecommunications universal service.
Mobile broadband operators that provide universal service may not refuse requests from other mobile broadband operators to co-locate and co-construct in their universal service mobile broadband transmission station without justifiable reasons

Article 20
Applications accepted and processed by the competent authority (NCC) for universal service subsidies shall be published, and applications shall be assessed and have the results published no later than August 15 of the same year.
Publications of the aforementioned applications shall not include the detailed calculations of the net universal service cost as stated in item (1.iii) of the previous Article.
The competent authority (NCC) may request universal service providers and the certified accountants to submit supplementary information and explanations for the universal service subsidy applications assessment process.

Article 21
Participating Universal Service Carriers must report annual revenue figures, which are audited by certified accountants, to the competent authority (NCC) by June 1 of the year after the implementation year, together with the relevant accounting certification information.
The competent authority (NCC) may request participating universal service carriers and the certified accountants to submit supplementary information and explanations for the aforementioned revenue assessment process.
The revenue generated by a participating universal service carrier shall be defined accordingly:
I. Type 1 Telecommunications Service: Type 1 telecommunications service revenue shall be reported on corporate annual income tax forms; the revenue forgone of the various universal service categories is deducted.
II. Type 2 Telecommunications Service: Type 2 telecommunication service revenue reported on corporate income tax forms shall share the universal service cost of the operating items.

Article 22
The participating universal service carriers shall share the amount of the universal service costs; the competent authority (NCC) shall multiply the proportion of the revenue of the total participating universal service carriers' revenue with the universal service cost.
Within three years from the effective date of the Telecommunications Management Act, the participating universal service carriers in the preceding paragraph shall share the amount of the universal service costs; the competent authority (NCC) shall multiply their proportion of the telecommunication service revenue in the implementation year of the participating universal service carriers' total telecommunication service revenue as referred to in the Telecommunications Management Act and the Telecommunications Act with the universal service cost. Universal service cost as referred to in the preceding two paragraphs refers to the subsidy amount of the universal service providers and the necessary administration costs.
The participating universal service carriers, after the approval of the competent authority (NCC), shall be exempted from sharing the universal service cost in the implementation year if the revenue as designated by the competent authority(NCC) is not achieved.

Article 23

The participating universal service carriers shall deposit their universal service payments into a designated telecommunications universal service fund account within one month after publishing of the contributing proportions and amounts; contributing parties that cannot deposit their total (or at least partial) share of the contributions shall be subject to the provisions contained in Article 61 of the Telecommunications Act, as well as penalty interests to the tune of the one-year fixed deposit rate as announced by the Bank of Taiwan on the last day of the one month period. Contributing parties that fail to deposit their total (or at least partial) share of the contributions within three months starting from the due date shall have their deficits considered as bad debts.

Article 24
The participating universal service carriers, after the approval of the competent authority (NCC), shall be exempted from sharing the universal service cost in the implementation year if the revenue as designated by the competent authority(NCC) is not achieved.
I. Bad debts incurred in the first implementation year in accordance with this set of Regulations shall be considered part of the universal service charges for the second implementation year, and shall be shared amongst contributing parties in accordance with the methods set forth in Article 22.
II. From the second implementation year onwards, a certain proportion in relation to the contributing universal service charges shall be paid annually.
The aforementioned "certain proportion" shall be set in accordance with the following criteria as well as the adjustment by the competent authority (NCC) according to the experience of collecting bad debts:
I. If the proportion of bad debts of the first implementation year exceeds one per cent, the "certain proportion" shall be the proportion of bad debts.
II. If the proportion of bad debts of the first implementation year is less than 1%, the "certain proportion" shall be one per cent.
The aforementioned "proportion of bad debts" shall be the proportion of bad debts incurred in an implementation year in relation to the total universal service charges in that year.

Article 25
Payments to the bad debts reserve fund as regulated in the previous article shall be suspended in the subsequent year if the accumulated sums exceed its upper limit. Payments shall be resumed in the subsequent year if the bad debts reserve fund after payment suspension falls to the lower limit.
The aforementioned upper limit shall be five per cent of the total universal service charges in the first implementation year, and the lower limit shall be two per cent of the total universal service charges in the first implementation year. These limits may be adjusted by the competent authority (NCC) depending on current circumstances.
If the bad debts reserve fund runs out in any implementation year, any deficits shall be considered universal service charges in the subsequent year, and shared amongst contributing parties in accordance with the methods set forth in Article 22.

Article 26
The Telecommunications Universal Service Fund may only be used to pay for universal service expenses, and may not be withdrawn for other purposes.

Article 27
In order to manage the Telecommunications Universal Service Fund related matters, the competent authority (NCC) shall establish the Telecommunications Universal Service Fund Administrative Committee (hereafter named the "committee") .
The functions of the committee are set forth below:
I. Assessment of the annual implementation plans of the universal service.
II. Assessment of the subsidy applications of the universal service.
III. Assessment of the revenue figures as reported by the universal service contributing parties.

IV. Auditing and calculation of the proportions and amount of contributions to be made by the universal service contributing parties towards universal service charges.
V. Auditing and assessment of the incomes and expenses of the Telecommunications Universal Service Fund.
VI. Evaluation of the performance of the universal service regime.
VII. Other matters concerning the telecommunications universal service.
As of the date of enforcement of the Telecommunications Management Act, matters related to the Telecommunications Universal Service Fund managed by the committee in Paragraph 1 shall be governed by Telecommunications Universal Service Fund Committee established in accordance with Regulations Governing Universal Service of Telecommunications Enterprises pursuant to Paragraph 5, Article 12 of the Telecommunications Management Act.

Article 28
The committee shall have thirteen to fifteen members. The chairman, also a member of the committee, shall be the Director-General of the competent authority (NCC); other members are to be selected by the Director-General of the competent authority (NCC) from representatives of agencies, academics and experts.
Each member shall be appointed for one year as a term, with possible extension if necessary. In case of the withdrawal of member before the termination of the term, temporary substitutes shall be appointed to carry out the post till the end of the term.
Members shall not receive a salary; however, assessment fees, transportation fees or research fees may be paid in accordance with the relevant rules.
The key points for Operation of the Telecommunications Universal Service Fund Administrative Committee shall be separately set forth by the competent authority (NCC).

Article 28-1
Within three years of the effective date of the Telecommunications Management Act, the competent authority may designate Type I telecommunications enterprises that have obtained a license in accordance with the Telecommunications Act and have not registered in accordance with the Telecommunications Management Act to serve as Type I universal service providers under the Telecommunications Management Act.

Article 28-2
As of 2022, the competent authority shall make relevant announcements of the implementation plan in accordance with the Regulations Governing Universal Service of Telecommunications Enterprises pursuant to Paragraph 5, Article 12 of the Telecommunications Management Act.

Chapter 5 Miscellaneous Principles
Article 29
These Regulations take effect from the date of announcement.
The articles of these Regulations which are amended and propagated on July 10, 2020 take effect from July 1, 2020.

Files： Telecommunications Universal Service Regulations (Abolished on 2025.03.10).pdf

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