

# **Info-communications Media Development Authority (Amendment) Bill**

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**Bill No. /2026.**

*Read the first time on*                      *2026.*

A BILL

*i n t i t u l e d*

An Act to amend the Info-communications Media Development Authority Act 2016 to provide for additional powers of the Authority and other matters and to make consequential and related amendments to the Telecommunications Act 1999.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### Short title and commencement

1. This Act is the Info-communications Media Development Authority (Amendment) Act and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

#### 5 **Amendment of section 2**

2. In the Info-communications Media Development Authority Act 2016 (called in this Act the principal Act), in section 2 —

(a) after the definition of “committee member”, insert —

10 “control” includes control as a result of, or by means of, any agreement, arrangement, understanding or practice, whether or not having legal or equitable force and whether or not based on legal or equitable rights;

15 “controller”, in relation to an essential resource, means a person who controls the use of an essential resource and is designated by the Authority through a designation notification as a controller of an essential resource;”;

(b) after the definition of “Deputy Chairperson”, insert —

20 “designation notification”, in relation to an affected person, means a notice of a designation made by the Authority under this section (definitions of “essential resource”, “controller”, and “owner”) or section 63(3)(b) in any manner that secures adequate notification to the affected person of the designation and includes a notice of a designation served on the affected person in  
25 accordance with section 80;”;

(c) replace the definition of “essential resource” with —

“essential resource” means any apparatus, accessory, system, service, information or other resource of any kind that is —

30 (a) used or intended to be used in connection with the provision of any media service; and

(b) specified by the Authority, by notification in a designation notification, to be an essential resource;”;

(d) after the definition of “newspaper company”, insert —

5 ““owner”, in relation to an essential resource, is a person who owns an essential resource and is designated by the Authority through a designation notification as an owner of that essential resource;”;

(e) delete the definition of “regulated person”;

10 (f) after the definition of “media”, insert —

““media resource” means any accessory, apparatus, building, equipment, information, land, machinery, service, structure, system, or other resource of any kind, that is used or intended to be used in connection with the provision of any media service;”;

15 and

(g) after the definition of “newspaper company”, insert —

““newspaper permit” means a permit granted under section 21 of the Newspaper and Printing Presses Act 1974;”.

### **New section 59**

20 **3.** In the principal Act, in Part 7, after the Part heading, insert —

#### **“Interpretation of this Part**

**59.—(1)** In this Part —

“30% controller” means, in relation to a regulated person or an independent entity referred to in section 69A, a person who, alone or together with the person’s associates —

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(a) holds 30% or more of the total equity interest in the regulated person or the independent entity; or

(b) is in a position to control 30% or more of the voting power in the regulated person or the independent entity;

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“business trust” has the meaning given by section 2 of the Business Trusts Act 2004;

“corporation” has the meaning given by section 4(1) of the Companies Act 1967;

5 “designated media licensee” means a media licensee —

(a) that is designated by the Authority to be a media licensee subject to this section; or

(b) that is within a class of media licensees designated by the Authority to be a class of media licensees subject to this section,

10 and the designation must be notified in the Gazette;

“director” has the meaning given by section 4(1) of the Companies Act 1967;

15 “effective control”, in relation to a regulated person or an independent entity referred to in section 69A, means the ability to cause the regulated person or the independent entity to take, or to refrain from taking, a major decision regarding the management or operations of the regulated person or the independent entity;

20 “entity” means any sole proprietorship, partnership, corporation or other body of persons, whether corporate or unincorporate, and includes a trust;

“equity interest” means —

(a) in relation to a corporation — a voting share in that corporation;

(b) in relation to a business trust — a unit in that business trust; and

(c) in relation to any other entity other than a corporation or business trust — any right or interest, whether legal or equitable, in that entity, by whatever name called, which gives the holder of that right or interest voting power in that entity;

30 “media licensee” means —

(a) a person to whom a permit under section 21, 22 or 23 of the Newspaper and Printing Presses Act 1974 is granted;

5 (b) a holder of a broadcasting licence granted under section 8 or 9 of the Broadcasting Act 1994; or

(c) a holder of a licence granted under section 7 of the Films Act 1981;

“Official Receiver” has the meaning given by section 2(1) of the Insolvency, Restructuring and Dissolution Act 2018;

10 “regulated person” means —

(a) a corporation which publishes a newspaper, the publication of which is authorised under a permit granted under section 21 of the Newspaper and Printing Presses Act 1974, including a newspaper company; or

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(b) the holder of a broadcasting licence or an entity whose business is regulated by a broadcasting licence, including a trust,

20 that is specified by the Minister, by notification in the *Gazette*, to be a regulated person;

“related corporation” has the meaning given by section 4(1) of the Companies Act 1967;

“share” has the meaning given by section 4(1) of the Companies Act 1967;

25 “unit” has the meaning given by section 2 of the Business Trusts Act 2004;

“unitholder” has the meaning given by section 2 of the Business Trusts Act 2004;

30 “voting share” has the meaning given by section 4(1) of the Companies Act 1967.

(2) For the purposes of this Part, in relation to a regulated person which is a corporation the whole or any portion of the share capital of which consists of stock, an interest of a person

in any such stock is deemed to be an interest in an issued share in the regulated person having the same nominal amount as the amount of that stock and having attached to it the same rights as are attached to that stock.

5 (3) For the purposes of this Part, a reference to control of a percentage of the voting power in a regulated person is a reference to control of that percentage of the total number of votes that may be cast in a general meeting of the regulated person.

10 (4) For the purposes of subsection (3), any control of any voting power by a person in a regulated person is not to be regarded as control of voting power of the person if it is exercisable in the following capacities of the person:

15 (a) by virtue of the person holding an equity interest in the regulated person as a bare trustee;

20 (b) if the person's ordinary business includes the lending of money, by virtue of the person holding an equity interest in the regulated person only by way of security for the purposes of a transaction entered into in the ordinary course of business in connection with the lending of money;

25 (c) if the person's ordinary business includes the underwriting of securities, by virtue of the person holding an equity interest in the regulated person only as an underwriter or a sub-underwriter to any offering of shares of the regulated person;

(d) by virtue of the person having been appointed a proxy or representative to vote at a general meeting;

30 (e) in the person's capacity as a liquidator, the Official Receiver, the Official Assignee or the Public Trustee; or

(f) by reason of the person holding such other office as may be prescribed for the purposes of section 7(9)(c) of the Companies Act 1967.

(5) In this Part —

- 5 (a) a reference to the business of an entity that is a business trust means the business carried on by the trustee-manager of the business trust on behalf of the business trust; and
- (b) a reference to the business of an entity that is a trust (other than business trust) means the business carried on by the trustee of the trust on behalf of the trust.”.

**New section 60A**

10 4. In the principal Act, after section 60, insert —

**“What holding an equity interest means**

**60A.—**(1) A person holds an equity interest under this Part if the person —

- 15 (a) has or is deemed to have an equity interest in accordance with subsection (2); or
- (b) otherwise has a legal or equitable interest in that equity interest,

20 except for any interest that is to be disregarded under subsection (3) or prescribed by regulations made under section 81 as an interest that is to be disregarded.

(2) A person is deemed to have an equity interest in an entity if that person —

- (a) has entered into a contract to purchase the equity interest; or
- 25 (b) is entitled to exercise or control the exercise of a right attached to the equity interest, otherwise than by reason of the person having been appointed a proxy or representative to vote at —
- (i) a general meeting of the entity;

(ii) in the case of an entity that is a business trust — a general meeting of the unitholders of the business trust; or

5 (iii) in the case of an entity that is a trust other than a business trust — a general meeting of the beneficiaries of the trust in question.

(3) For the purposes of construing equity interest in this section, the following interests are disregarded:

10 (a) an equity interest of a person who holds the equity interest as bare trustee;

(b) an equity interest of a person whose ordinary business includes the lending of money, if the person holds the interest only by way of security for the purposes of a transaction entered into in the ordinary course of business in connection with the lending of money;

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(c) an equity interest of a person whose ordinary business includes the underwriting of securities, if the person holds the interest only as an underwriter or a sub-underwriter to any offering of equity interest of a regulated person;

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(d) an equity interest of a person —

(i) in the person's capacity as a liquidator, the Official Receiver, the Official Assignee or the Public Trustee; or

25 (ii) by reason of the person holding such other office as may be prescribed for the purposes of section 7(9)(c) of the Companies Act 1967;

(e) an interest of a corporation in its own shares purchased or otherwise acquired in accordance with sections 76B to 76G of the Companies Act 1967 (including treasury shares);

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(f) such interest in a share as may be prescribed for the purposes of section 7(9)(d) of the Companies Act 1967, being an interest of such person, or of a person

belonging to such class of persons, as may be prescribed for the purposes of that provision.

(4) Where the interest relates to an interest in a share, section 7(7), (8) and (10) of the Companies Act 1967 apply in determining whether a person has an equity interest for the purposes of subsections (2) and (3).

(5) Regulations made under section 81 may further provide that any other equity interest is to be disregarded for the purposes of this section or any subsection of this section.

### Meaning of “associate”

**60B.**—(1) In this Part, a person (*A*) is an associate of another person (*B*) if —

- (a) *A* is the spouse, or a parent, step-parent or remoter lineal ancestor, or a child, step-child or remoter issue, or a sibling or step-sibling of *B*;
- (b) *A* is a corporation whose directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B* or, where *B* is a corporation, of the directors of *B*;
- (c) *B* is a corporation whose directors are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *A* or, where *A* is a corporation, of the directors of *A*;
- (d) *A* is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *B* or, where *B* is a corporation, of the directors of *B*;
- (e) *B* is a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of *A* or, where *A* is a corporation, of the directors of *A*;

- (f) *A* is a related corporation of *B* or *B* is a related corporation of *A*;
- 5 (g) *A* is a corporation in which *B*, alone or together with other associates of *B* as described in paragraphs (b) to (f), is in a position to control not less than 12% of the voting power in *A*;
- 10 (h) *B* is a corporation in which *A*, alone or together with other associates of *A* as described in paragraphs (b) to (f), is in a position to control not less than 12% of the voting power in *B*;
- 15 (i) *A* is a person with whom *B* has an agreement or arrangement, whether oral or in writing and whether express or implied, to act together with respect to the acquisition, holding or disposal of shares, units or other equity interests in, or with respect to the exercise of their voting power in relation to, a regulated person; or
- (j) *A* is related to *B* in such other manner as may be prescribed by regulations made under section 81.”.

#### **Amendment of section 61**

20 **5.** In the principal Act, in section 61 —

(a) replace subsection (1) with —

“(1) The Authority may —

- (a) issue one or more codes of practice, standards of performance and advisory guidelines; or
- 25 (b) approve, as a code of practice or standard of performance, any document prepared by a person other than the Authority, if the Authority considers the document to be suitable,

30 for all or any of the following purposes set out in subsection (1A).

(1A) The purposes for each code of practice, standard of performance or advisory guideline are the following:

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- (a) to enable and maintain fair market conduct in the media industry in Singapore;
  - (b) to safeguard the interests of consumers of media services and of the public generally in relation to the provision of media services;
  - (c) to provide guidance in relation to the operation or administration of any provision of this Part; or
  - (d) generally for carrying out the purposes of this Part.”;
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- (b) in subsection (2)(a), delete “and” at the end;
- (c) in subsection (2), after paragraph (a), insert —
- “(aa) specify the rules and procedures that must be complied with by –
- 15 (i) each regulated person;
  - (ii) each person who holds any equity interest, or controls any voting power, in a regulated person;
  - (iii) each person who acquires any business of a regulated person that is conducted pursuant to a broadcasting licence or newspaper permit, or any part of any such business, as a going concern;
  - 20 (iv) each person who obtains effective control over a regulated person; and
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- (ab) specify the terms and conditions which the Authority may impose when granting any written approval under section 65(1), (2) or (3); and”;
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- (d) in subsections (3)(a) and (b), after “code of practice” wherever it appears, insert “or standard of performance”;
- (e) in subsection (3)(a), replace “subsection (1)” with “subsection (1A)”;

(f) replace subsections (4) and (5) with —

“(4) Upon issuing a code of practice or standard of performance under subsection (1), or varying or revoking a code of practice or standard of performance under subsection (3), the Authority must —

(a) publish the code or standard, or any variation or revocation of the code or standard, in a manner that will secure adequate publicity for the code or standard;

(b) specify in the publication the date on which the code or standard, or any variation or revocation of the code or standard, takes effect; and

(c) ensure that the code or standard (including any variation to the code or standard) remains available to the public for access and inspection without charge.

(5) The issue, variation or revocation of a code or standard does not have force or effect until the code or standard, or the variation or revocation of the code or standard, (as the case may be) is published in accordance with subsection (4)(a) and (b).”;

(g) in subsection (6), after “code of practice”, insert “or standard of performance”;

(h) in subsections (7)(a) and (b) and (8), replace “code of practice (or any part of it)” with “code of practice or standard of performance (or any part of the code or standard)”;

(i) in subsection (7)(b), replace “every person who owns or controls an essential resource” with “every person who is an owner or a controller of an essential resource”; and

(j) in subsection (9), after “code of practice”, insert “or standard of performance”.

### **New section 61A**

**6.** In the principal Act, after section 61, insert —

**“Directions affecting regulated persons and owners or controllers of essential resources**

5 **61A.—**(1) For the purposes of maintaining fair and efficient market conduct and effective competition in the media industry in Singapore, or safeguarding consumers’ interests by promoting fair, transparent and reliable provision of media services, the Authority may give directions to be observed by an owner or a controller of an essential resource with respect to the use or sharing of essential resources or a regulated person —

10 (a) to ensure fair and efficient market conduct by the regulated person;

(b) to ensure the coordination and cooperation, on such terms as the Authority may specify, with any other person in the use or sharing of —

15 (i) any media resource owned or controlled by the regulated person that is used or intended to be used in connection with the provision of any media service pursuant to a broadcasting licence or newspaper permit; or

20 (ii) any essential resources; or

(c) in the public interest.

(2) The direction —

25 (a) may require the person concerned (according to the circumstances of the case) to do, or to refrain from doing, such things as are specified in the direction, or as are of a description specified in the direction; and

(b) takes effect at such time (being the earliest practicable time) as is determined by or under that direction.

30 (3) The Authority may at any time vary, suspend or revoke the whole or any part of the direction.

(4) Before giving the direction to a person or varying the direction, the Authority must, unless the Authority in respect of

any particular direction considers that it is not practicable or desirable, give notice —

(a) stating that the Authority proposes to make or vary the direction and setting out its effect; and

5 (b) specifying the time within which representations or objections to the proposed direction or variation may be made,

and must consider any representations or objections which are duly made.

10 (5) Every person must comply with every direction of the Authority given to the person under this section.”.

#### **Amendment of section 62**

7. In the principal Act, in section 62, replace subsection (3) with —

15 “(3) Any provision of any agreement or decision which is prohibited by subsection (2), is void to the extent that it infringes that subsection.”.

#### **Amendment of section 63**

8. In the principal Act, in section 63 —

20 (a) in subsections (1)(a), (2) and (3)(a) and (b), after “provision of media services in Singapore”, insert “conducted pursuant to a broadcasting licence or newspaper permit”; and

(b) in subsection (3)(b), replace “notification in the *Gazette*” with “designation notification”.

#### **Replacement of section 65 and new sections 65, 65AA and 65AB**

25 9. In the principal Act, replace section 65 with —

##### **“Control of equity interests and voting power in a regulated person**

65.—(1) Subject to subsection (5), a person must not, without obtaining the prior written approval of the Authority to do so,

become, whether through a series of transactions over a period of time or otherwise, a 30% controller of a regulated person.

5 (2) Subject to subsection (5), a person must not, without obtaining the prior written approval of the Authority to do so, acquire any business of a regulated person that is conducted pursuant to a broadcasting licence or a newspaper permit, or any part of any such business, as a going concern.

10 (3) Subject to subsection (5), a person must not, without obtaining the prior written approval of the Authority to do so, obtain effective control over a regulated person.

(4) An application for the written approval of the Authority under subsection (1), (2) or (3) —

15 (a) must be made in such form and manner as the Authority may determine; and

(b) must be supported by such information as the Authority may require.

20 (5) Any person may, without obtaining the prior written approval of the Authority to do so, do any thing mentioned in subsection (1), (2) or (3), if the doing of that thing occurs by virtue only of any transaction prescribed by the Minister for the purposes of this subsection by order in the *Gazette*.

25 (6) A regulated person, the trustee-manager of a regulated person which is a business trust, or the trustee of a regulated person which is a trust (other than a business trust), must give written notice to the Authority, within 7 days after first becoming aware of the event, in the event that any person, by virtue only of any transaction prescribed by the Minister for the purposes of subsection (5) —

30 (a) becomes, whether through a series of transactions over a period of time or otherwise, a 30% controller of the regulated person;

(b) acquires any business of the regulated person that is conducted pursuant to a broadcasting licence or a

newspaper permit, or any part of any such business, as a going concern; or

(c) obtains effective control over the regulated person.

5 (7) If a person contravenes subsection (1), (2) or (3), or any condition imposed by the Authority when granting approval in any of these provisions, the Authority may issue a written direction to the person under section 65AA.

10 (8) Any trustee-manager of a regulated person which is a business trust, or trustee of a regulated person which is a trust (other than a business trust) who contravenes subsection (6) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

15 (9) Subsection (8) does not apply to a trustee-manager or trustee of the business trust or trust being regulated where the regulated person is the trustee-manager or trustee.

### **Power to issue directions relating to control of regulated persons**

**65AA.**—(1) Without limiting section 66, the Authority may issue a direction under this section if —

20 (a) a person (called in this section the specified person) —

- (i) becomes or is a 30% controller of a regulated person;
- (ii) acquires or owns any business that is conducted pursuant to a broadcasting licence or newspaper permit, or any part of any such business, as a going concern; or
- (iii) obtains or has effective control over a regulated person; and

(b) the Authority is satisfied that —

- 30 (i) the specified person has contravened section 65(1), (2) or (3) or any condition imposed by the Authority when granting approval under any of these provisions;

- (ii) the specified person has furnished false or misleading information or documents in connection with the person's application for written approval under section 65(1), (2) or (3);
  - 5 (iii) the Authority would not have granted its written approval under section 65(1), (2) or (3) had it been aware, at the time the approval was granted, of any matter relevant to the specified person's application for such approval; or
  - 10 (iv) the applicable matter referred to in paragraph (a)(i), (ii) and (iii) is likely to substantially lessen competition or is against the public interest.
- (2) The directions the Authority may issue are as follows:
- 15 (a) direct the regulated person to do all or any of the following:
    - 20 (i) to restrict the exercise of all or any of the voting rights in respect of the equity interests which the specified person holds, or which the specified person and the specified person's associates together hold, in the regulated person (called in this section the specified equity interests), or to restrict the exercise of the voting power which the specified person controls, or which the specified person and the specified person's associates together control, in the regulated person, unless the Authority expressly permits such rights or power to be exercised;
    - 25 (ii) to restrict the issuance or offer of equity interests in the regulated person (whether by way of rights, bonus or otherwise) in respect of the specified equity interests, unless the Authority expressly permits such issue or offer;
    - 30 (iii) except in a liquidation or winding up of the regulated person, to restrict the payment of any amount (whether by way of dividends, profits,
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income or otherwise) in respect of the specified equity interests, unless the Authority expressly authorises such payment subject to such conditions as the Authority may specify;

5           (b) direct the specified person, or any associate of the specified person, to transfer or dispose of all or any part of the specified equity interests within the time that the Authority may determine and subject to any conditions as the Authority considers appropriate;

10           (c) direct the specified person to transfer or dispose of all or any part of the business or part thereof that is conducted pursuant to a broadcasting licence or a newspaper permit, and that was acquired from the regulated person as a going concern, within the time  
15           that the Authority may determine and subject to any conditions as the Authority considers appropriate;

              (d) direct the specified person to relinquish effective control over the regulated person within the time that  
20           the Authority may determine and subject to any conditions as the Authority considers appropriate.

(3) Before issuing a direction to any person under subsection (2), the Authority must, unless the Authority decides that it is not practicable or desirable to do so, cause to be given to that person written notice of the Authority's intention to issue the direction,  
25           specifying a date by which that person may make written representations with regard to the proposed direction.

(4) Upon receipt of any written representations mentioned in subsection (3), the Authority must consider them for the purpose of determining whether to issue the direction.

30           (5) Any person to whom the direction is given must comply with the direction.

(6) The Authority may at any time vary, suspend or revoke any direction issued under this section.

(7) The direction given to a person has effect, despite —

- (a) the Business Trusts Act 2004, the Companies Act 1967, the Limited Liability Partnerships Act 2005, the Trustees Act 1967 and the Variable Capital Companies Act 2018;
- 5 (b) anything in any listing rules as defined in section 2(1) of the Securities and Futures Act 2001; and
- (c) the provisions of the memorandum or articles of association, trust deed or other constitution of the regulated person.
- 10 (8) Without affecting subsection (7), where any direction is issued under subsection (2)(a), unless the direction is suspended or revoked —
- (a) the voting rights in respect of the specified equity interests, and the voting power which the specified person controls, or which the specified person and the specified person's associates together control, in the regulated person, are not exercisable unless the Authority expressly permits such rights or power to be exercised;
- 15 (b) no equity interests in the regulated person are to be issued or offered (whether by way of rights, bonus or otherwise) in respect of the specified equity interests, unless the Authority expressly permits such issue or offer; and
- 20 (c) except in a liquidation or winding up of the regulated person, no amount is to be paid (whether by way of dividends, profits, income or otherwise) in respect of the specified equity interests, unless the Authority expressly authorises such payment.
- 25 (9) Any person who contravenes subsection (5) in respect of a direction issued under subsection (2)(b), (c) or (d) shall be guilty of an offence and shall be liable on conviction —
- 30 (a) in the case of an individual, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both and, in the case of a continuing
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offence, to a further fine not exceeding \$12,500 for every day or part of a day during which the offence continues after conviction; or

- 5 (b) in any other case, to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.

**Power of Authority to obtain information relating to control of regulated persons**

10 **65AB.**—(1) Without affecting sections 66 and 70, the Authority may, by written notice —

- 15 (a) direct a regulated person to obtain from a holder of equity interests in the regulated person, and to provide to the Authority within such time as may be specified in the notice, any information relating to the holder that may be required to ascertain or investigate into any holding of equity interests or control of voting power in the regulated person for the purposes of this Part; and

- 20 (b) direct any person to provide to the Authority, within such time as may be specified in the notice, any information required to ascertain or investigate the holding of any equity interests or control of voting power in a regulated person for the purposes of this Part.

25 (2) Any person who —

- (a) fails to comply with a notice under subsection (1); or  
 (b) in purported compliance with a notice under subsection (1), knowingly or recklessly makes a statement which is false in a material particular,

30 shall be guilty of an offence and shall be liable on conviction —

- (c) in the case of an individual, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding

3 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$12,500 for every day or part of a day during which the offence continues after conviction; or

- 5           (d) in any other case, to a fine not exceeding \$250,000 and, in the case of a continuing offence, to a further fine not exceeding \$25,000 for every day or part of a day during which the offence continues after conviction.”.

#### **Amendment of section 65A**

- 10       **10.** In the principal Act, in section 65A(5), delete the definitions of “designated media licensee” and “media licensee”.

#### **Amendment of section 66**

**11.** In the principal Act, in section 66 —

(a) replace the section heading with —

15                           **“Written orders and financial penalties”;**

(b) in subsection (1), replace “give directions” with “issue written orders”;

(c) in subsection (1), after “any provision of this Part”, insert “, any direction issued under this Part”;

20           (d) in subsection (1), after “code of practice”, insert “or standard of performance”;

(e) in subsections (2) and (3), after “any provision of this Part,”, insert “any direction issued under this Part”;

25           (f) in subsections (2) and (3), after “code of practice,” insert “or standard of performance”;

(g) in subsection (2), replace “the Authority’s directions” with “the Authority’s written orders”;

(h) in subsection (2)(a), after “provision” wherever it appears, insert “or direction”;

30           (i) in subsection (3), replace “instead of a direction” with “instead of a written order”;

- (j) in subsection (4), replace “giving a direction” with “issuing a written order”;
- (k) in subsection (4)(a), replace “give the direction” with “issue the written order”;
- 5 (l) in subsection (4)(b), replace “direction” with “written order”;
- (m) in subsection (5), replace “give such direction” with “issue such written order”;
- (n) in subsections (6), (7) and (8), replace “direction” with “written order”;
- 10 (o) replace subsection (9) with —
  - “(9) A reference in this section to the issuing of a written order includes a reference to the varying of that written order.”; and
- (p) delete subsection (10).

15 **New section 67A**

**12.** In the principal Act, after section 67, insert —

**“Reconsideration by the Authority**

20 **67A.—(1)** A request may be filed by the following persons to the Authority for reconsideration (called in this section a reconsideration request) in any of the following circumstances:

- (a) by a regulated person, designated media licensee, or owner or controller of an essential resource who is aggrieved by —
  - 25 (i) a direction or decision of the Authority in the exercise of discretion vested in it under this Part;
  - (ii) anything contained in a direction or written order issued under this Part; or
  - 30 (iii) anything contained in a code of practice or standard of performance issued or approved under this Part;

(b) by any other person (not being a regulated person, designated media licensee, or owner or a controller of an essential resource) who is aggrieved by —

- 5 (i) a decision of the Authority under section 65(1), (2) or (3);
- (ii) a direction or decision of the Authority under section 65AA or 65AB;
- (iii) any decision under section 64; or
- 10 (iv) anything contained in a code of practice or standard of performance issued or approved under section 61 (in so far as it relates to matters as are necessary for the purposes of sections 65, 65AA or 65AB and for the due administration of these provisions) or 67(1).

15 (2) A reconsideration request must be filed within 14 days of the receipt of the decision, direction, or written order of the Authority or the issue or approval of the code of practice or standard of performance, as the case may be.

20 (3) A person must not make both a reconsideration request to the Authority and an appeal to the Minister under section 68 in respect of the same decision, direction, or written order of the Authority or thing contained in a code of practice or standard of performance.

25 (4) Where a reconsideration request and an appeal have been made in contravention of subsection (3), the appeal to the Minister is deemed to be withdrawn.

(5) Where —

- 30 (a) a reconsideration request has been made to the Authority by any person; and
- (b) an appeal in respect of the same decision, direction, or written order of the Authority or thing contained in a code of practice or standard of performance is made or has been made to the Minister by any other person,

the appeal to the Minister is deemed to be withdrawn.

5 (6) The Authority may determine any reconsideration request under this section by confirming, varying or reversing any decision, direction, or written order, or by amending any code of practice or standard of performance.

10 (7) Unless otherwise provided, where a reconsideration request is made under this section, the decision, direction, written order, code of practice, standard of performance, or other matter which requires reconsideration by the Authority must be complied with until the determination of the reconsideration request.”.

### **Replacement of section 68**

13. In the principal Act, replace section 68 with —

#### **“Appeals to Minister**

15 **68.**—(1) An appeal may be filed by the following persons to the Minister against a decision, direction, written order, or thing contained in a code of practice or standard of performance (called in this section the Authority’s decision) in any of the following circumstances:

- 20 (a) a regulated person, designated media licensee, or owner or controller of an essential resource who is aggrieved by —
- (i) a direction or decision of the Authority in the exercise of discretion vested in it under this Part;
  - 25 (ii) anything contained in a direction or written order issued under this Part; or
  - (iii) anything contained in a code of practice or standard of performance issued or approved under this Part;
- 30 (b) any other person (not being a regulated person, designated media licensee or an owner or a controller of an essential resource) who is aggrieved by —

- (i) a decision of the Authority under section 65(1), (2) or (3);
  - (ii) a direction or decision of the Authority under section 65AA or 65AB;
  - 5 (iii) any decision under section 64; or
  - (iv) anything contained in a code of practice or standard of performance issued or approved under section 61 (in so far as it relates to matters as are necessary for the purposes of sections 65, 65AA and 65AB and for the due administration of these provisions) or 67(1).
- 10
- (2) Where there has been a reconsideration under section 67A in respect of the Authority's decision, the appeal must be made only in respect of the reconsidered decision, direction, written order, code of practice, or standard of performance.
- 15
- (3) An appeal under this section —
- (a) must be in writing;
  - (b) must specify the grounds on which it is made and state as concisely as possible the circumstances under which the appeal arises, and the issues and grounds for the appeal;
  - 20 (c) must contain all relevant facts, evidence and arguments for the appeal; and
  - (d) must be made within 14 days after the appellant is notified of the Authority's decision or such longer period as the Minister may allow in the appellant's case.
- 25
- (4) The Minister may require —
- (a) any party to the appeal; or
  - 30 (b) any person who is not a party to the appeal but appears to the Minister to have any information or document that is relevant to the appeal,

to provide the Minister with such information or document as the Minister may require for the purpose of considering and determining the appeal, and any person so required to provide the information or document must provide it in such manner and within such period as may be specified by the Minister.

(5) A Minister may reject the appeal if the appellant does not comply with subsection (3) or (4).

(6) The appeal does not affect the operation of the Authority's decision or prevent the taking of any action to implement the Authority's decision unless otherwise provided in this Part or directed by the Minister in any particular case.

(7) The Minister may determine the appeal by confirming, varying or reversing the Authority's decision including by amending any code of practice or standard of performance, and the decision of the Minister is final.

(8) Where an appeal is made under this section, the Authority's decision must be complied with until the determination of the appeal.

(9) The Minister may make regulations in respect of the manner in which an appeal may be made to the Minister and the procedure to be adopted in hearing such appeals.”.

#### **New section 69A**

**14.** In the principal Act, after section 69, insert —

#### **“Power of Minister to issue separation order**

**69A.**—(1) The Minister may issue a written order (called in this section a separation order) to a regulated person (called in this section the relevant regulated person), if —

(a) either of the following applies:

(i) the relevant regulated person owns or controls any media resource used in the provision of any media service conducted pursuant to a broadcasting licence or newspaper permit (called in this section the relevant media service)

- 5 in Singapore that is so costly or difficult to replicate that a requirement to do so would create a significant barrier to rapid and successful entry into the market for media services in Singapore by an efficient competitor of the relevant regulated person;
- 10 (ii) the relevant regulated person has the ability to exercise significant market power in any market for the relevant media service in Singapore, and both of the following apply:
- 15 (A) the relevant media service provided by the relevant regulated person in that market is required by one or more persons for the provision of relevant media services in Singapore on a competitive basis;
- 20 (B) it is so costly or difficult to provide the relevant media service that a requirement to do so would create a significant barrier to the provision of media services in Singapore on a competitive basis by an efficient competitor of the relevant regulated person;
- 25 (b) the Minister is satisfied that the actions that the Authority has taken in the exercise of its powers under this Act have failed, and that any other actions that the Authority may take in the exercise of those powers are likely to fail, to enable an efficient competitor of the relevant regulated person to achieve —
- 30 (i) where paragraph (a)(i) applies, rapid and successful entry into the market for the relevant media services in Singapore; or
- (ii) where paragraph (a)(ii) applies, the provision of the relevant media services in Singapore on a competitive basis; and

(c) the Minister is satisfied that it is in the public interest to issue the separation order.

(2) In deciding whether it is in the public interest to issue the separation order, the Minister must have regard to whether the issue of the separation order is necessary or desirable for one or more of the following purposes:

(a) to promote and maintain fair and efficient market conduct and effective competition between persons engaged in commercial activities connected with media resources and relevant media services in Singapore;

(b) to promote the efficiency and international competitiveness of the media industry in Singapore;

(c) to eliminate or reduce barriers to competition arising from the ownership or control of any media resources, or the possession of significant market power, by the relevant regulated person;

(d) to promote transparency, non-discrimination and equivalence of supply in relation to the provision of the relevant media services in Singapore.

(3) The separation order may —

(a) direct the relevant regulated person to transfer to a separate entity (that need not be an independent entity) or an independent entity either or both of the following:

(i) the whole or any part of any business of the relevant regulated person for the provision of the relevant media services;

(ii) the whole or any part of any property of the relevant regulated person that is used by it to provide any relevant media services, and any rights, obligations and liabilities relating to that property;

(b) for the purposes of paragraph (a), direct the relevant regulated person —

- (i) to establish a separate entity; and
  - (ii) to ensure that the separate entity (or the proprietor or chief editor of the newspaper to be published by the separate entity, as the case may be) applies for a broadcasting licence or newspaper permit; and
- 5
- (c) contain such other directions as the Minister considers appropriate, including (but not limited to) directions relating to all or any of the following matters:
- 10 (i) the types of transactions, dealings, arrangements and relationships that the relevant regulated person may engage in, or is prohibited from engaging in, with the separate entity or independent entity;
  - 15 (ii) the measures to be implemented to ensure that the relevant regulated person will not obtain effective control over the independent entity;
  - (iii) any future or contingent right or liability of the relevant regulated person;
  - 20 (iv) the conditions of the transfer directed under paragraph (a), including the payment of consideration by the transferee to the relevant regulated person;
  - 25 (v) any incidental, consequential or supplementary matters which, in the Minister's opinion, are necessary to ensure that the transfer directed under paragraph (a) is effective.
- (4) In determining the directions to be included in the separation order, the Minister must have regard to whether the directions are proportionate, taking into account —
- 30 (a) the contestability of the relevant market for media services in Singapore; and
  - (b) the effectiveness of the directions in eliminating or minimising any incentive or opportunity for the

relevant regulated person to act in a manner that prevents, restricts or distorts competition in the relevant market for media services in Singapore.

5 (5) A broadcasting licence or newspaper permit granted to a separate entity (or to the proprietor or chief editor of the newspaper to be published by the separate entity, as the case may be) established by a relevant regulated person may include (without affecting the power to impose conditions conferred by section 8 of the Broadcasting Act 1994 or section 21 of the Newspaper and Printing Presses Act 1974, as the case may be) 10 conditions requiring the separate entity —

(a) to operate on a stand-alone basis;

(b) to deal at arm's length with the relevant regulated person or any of its associates;

15 (c) to provide to other persons any relevant media service in Singapore on the same terms and conditions (including in relation to price, service levels and time frames), and by means of the same systems and processes (including operational support processes), as 20 it provides to the relevant regulated person or any of its associates; and

(d) to do, or to refrain from doing, such things as are specified in the licence or permit, as the case may be, or as are of a description specified in the licence or 25 permit.

(6) The separation order takes effect, despite —

(a) the provisions of any other written law or any rule of law; and

30 (b) the provisions of the memorandum or articles of association, trust deed, partnership agreement, limited liability partnership agreement, or other constitution or equivalent instrument, of the relevant regulated person.

(7) Despite any other written law or any rule of law, where the separation order contains a direction under subsection (3)(a), on

the date appointed for the transfer of any business or property of the relevant regulated person to a transferee —

- 5 (a) that business or property is transferred to, and vests in, the transferee without other or further assurance, act or deed, and the separation order has effect according to its tenor and is binding on any person affected by the separation order;
- 10 (b) every deed, bond, agreement or other arrangement subsisting immediately before that date which relates to that business or property, and to which the relevant regulated person is a party, continues in full force and effect, and is enforceable by or against the transferee, from that date, as if the transferee had been named in it or had been a party to it instead of the relevant regulated person; and
- 15 (c) any proceedings or cause of action, by or against the relevant regulated person, pending or existing immediately before that date and relating to that business or property, if continued, is enforceable by or against, the transferee from that date.
- 20

(8) Subject to subsection (11), the Minister may award compensation to the relevant regulated person for any damage caused to it by reason of its compliance with the separation order.

25 (9) For the purposes of subsection (8), the Minister must, within 6 months after the making of the separation order, by notification in the *Gazette*, establish a scheme for determining the amount of any compensation payable to the relevant regulated person.

30 (10) A scheme established under subsection (9) may provide for —

- (a) the manner in which any compensation or consideration is to be assessed, including methods of calculation, valuation dates and matters to be taken into account or disregarded when making valuations;

(b) the assessment to be made by an independent valuer appointed by the Minister; and

(c) the remuneration and expenses of the independent valuer.

5 (11) No compensation is to be awarded under subsection (8) if, when issuing the separation order, the Minister was satisfied that the relevant regulated person had engaged in conduct that prevents, restricts or distorts competition in any market for media services in Singapore, through —

10 (a) its control of the media resource, mentioned in subsection (1)(a)(i); or

(b) the exercise of its market power mentioned in subsection (1)(a)(ii).

15 (12) Any compensation awarded by the Minister under subsection (8) must be paid out of the Consolidated Fund.

(13) Before issuing the separation order, the Minister must, unless the Minister decides that it is not practicable or desirable to do so, cause to be given to the relevant regulated person written notice of the Minister's intention to issue the separation order, specifying the date by which written representations may be made to the Minister with regard to the separation order.

20 (14) Upon receipt of any written representation, the Minister must consider it for the purpose of determining whether to issue the separation order.

25 (15) The Minister may at any time vary, suspend or revoke the whole or any part of the separation order.

(16) The relevant regulated person and any person affected by the separation order must comply with the separation order.

30 (17) Any person who contravenes subsection (16) shall be guilty of an offence and shall be liable on conviction —

(a) in the case of an individual, to a fine not exceeding \$125,000 or to imprisonment for a term not exceeding 3 years or to both and, in the case of a continuing

offence, to a further fine not exceeding \$12,500 for every day or part of a day during which the offence continues after conviction;

(b) in the case of an entity which is a regulated person, to a fine not exceeding the higher of the following amounts:

(i) 10% of the annual turnover of that part of its business in respect of which it is granted the licence or permit (as the case may be), as ascertained from its latest audited accounts; or

(ii) \$1 million,

and, in the case of a continuing offence, to a further fine not exceeding \$100,000 for every day or part of a day during which the offence continues after conviction; or

(c) in any other case, to a fine not exceeding \$1 million and, in the case of a continuing offence, to a further fine not exceeding \$100,000 for every day or part of a day during which the offence continues after conviction.

(18) In this section —

“business” includes any business affairs, property, right, obligation or liability;

“consideration”, in relation to a transfer of any business or property of a regulated person, means the payment of monetary or other consideration by the transferee or any person on the transferee’s behalf to the regulated person for the transfer of the whole or any part of the business or property of the regulated person;

“independent entity” means an entity that —

(a) whether alone or together with its associates, does not have relevant control over the relevant regulated person or any relevant broadcasting licensee, newspaper company or relevant telecommunication licensee; and

(b) is not under the relevant control of —

- (i) the relevant regulated person, whether alone or with its associates;
- (ii) any newspaper company, whether alone or with its associates;
- 5 (iii) any relevant telecommunication licensee, whether alone or with its associates;
- (iv) any relevant broadcasting licensee, whether alone or with its associates; or
- 10 (v) any other entity which, whether alone or together with its associates, has relevant control over any relevant broadcasting licensee, newspaper company or relevant telecommunication licensee;

15 “property” means assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and includes —

- (a) any property, right or power of any description; and
- 20 (b) in relation to a regulated person, the regulated person’s media resources;

“relevant broadcasting licensee” means the licensee of a broadcasting licence under section 8 of the Broadcasting Act 1994;

25 “relevant control”, in relation to a regulated person or an independent entity, means —

- (a) the ability to exercise effective control over the regulated person or independent entity (as the case may be); or
- 30 (b) such control as may be exercised over the regulated person or independent entity (as the case may be) by a 30% controller;

“relevant telecommunication licensee” means a person who is granted a licence under section 5 of the Telecommunications Act 1999 to —

- 5 (a) run any telecommunication system for the purpose of offering to other persons all or any of the following:
- (i) telecommunication switching capacity;
  - (ii) telecommunication switching services;
  - (iii) telecommunication transmission capacity;
  - 10 (iv) telecommunication transmission services; or
- (b) provide telecommunication services to third parties using any telecommunication system leased from another person described in (a) above (including telecommunication network elements such as transmission capacity, switching services, ducts and fibre), or to resell the telecommunication services of the person described in (a) above.
- 15

“separate entity”, in relation to a regulated person, means an entity which is a separate legal entity from the regulated person, and includes any such entity the equity interests of which are wholly owned by the regulated person;

20

“significant market power” means the ability to unilaterally restrict output, raise prices, reduce quality or otherwise act, to a significant extent, independently of competitive market forces.”.

25

### **New section 71A**

**15.** In the principal Act, after section 71, insert —

#### **“Power to obtain information for carrying out Authority’s functions**

30 **71A.**—(1) This section applies where the Authority has reason to believe that a media resource should be designated by the Authority as an essential resource.

5 (2) The Authority may, by notice, require any person who appears to be the owner or controller of a media resource, to provide to the Authority, within a reasonable period specified in the notice, such relevant information relating to that media resource as may be required by the Authority for the purpose of carrying out its functions and duties under this Act.

(3) Without limiting subsection (2), the Authority may in the notice require the person who appears to be the owner or controller of the media resource to provide —

10 (a) information relating to —

(i) the media services that the media resource is used or intended to be used in connection with; and

15 (ii) the person or persons who is or are, or other media resource that is or are, served or intended to be served by that media resource;

(b) information on other persons who may have an interest, proprietary or otherwise, in the media resource or have control over the use of the media resource; and

20 (c) any other information that the Authority may require in order to carry out its functions and duties under this Act.

(4) Any person who, without reasonable excuse, fails to comply with a notice issued under subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 2 years or to both and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day during which the offence continues after conviction.

30 (5) Any person to whom a notice is issued under subsection (2) is not obliged to disclose any information that is subject to any right, privilege or immunity conferred, or obligation or limitation imposed, by or under any law in relation to the disclosure of such information.”.

## **New sections 79A and 79B**

16. In the principal Act, after section 79, insert —

### **“Interest on financial penalties**

5       **79A.** Any person who fails to pay a financial penalty imposed under this Act by the date the person is required to do so under this Act is liable to pay, after that date, interest on the amount unpaid as may be prescribed.

### **Financial penalties collected**

10       **79B.**—(1) Any financial penalty or interest on late payment of financial penalty imposed under this Act or any other Act administered by the Authority must be collected by the Authority and paid into the Consolidated Fund.

15       (2) The Authority may recover as a civil debt in a court of competent jurisdiction any financial penalty and interest on financial penalty imposed under this Act or any other Act administered by the Authority which is due and payable but has not been paid.

20       (3) All financial penalties and interest on financial penalties recovered under this section must be paid into the Consolidated Fund.”.

## **Consequential amendments to the Telecommunications Act 1999**

17. In the Telecommunications Act 1999 —

25       (a) in section 37, replace subsection (14) with the following subsection:

30               “(14) For the purposes of subsection (13), any control of voting power by a person in a designated telecommunication licensee, designated business trust or designated trust is not to be regarded as control of voting power of the person if it is exercisable in the following capacities of the person:

- 5 (a) by virtue of the person holding an interest in a share of the designated telecommunication licensee, a unit of the designated business trust or an equity interest in the designated trust (as the case may be) as a bare trustee;
- 10 (b) if the person's ordinary business includes the lending of money, by virtue of the person holding an interest in a share of the designated telecommunication licensee, a unit of the designated business trust or an equity interest in the designated trust (as the case may be) only by way of security for the purposes of a transaction entered into in the ordinary course of business in connection with the lending of money;
- 15 (c) if the person's ordinary business includes the underwriting of securities, by virtue of the person holding an interest in a share of the designated telecommunication licensee, a unit of the designated business trust or an equity interest in the designated trust (as the case may be) only as an underwriter or a sub-underwriter to any offering of shares of the designated telecommunication licensee, units of the designated business trust or equity interests in the designated trust, as the case may be;
- 20 (d) by virtue of the person having been appointed a proxy or representative to vote at a general meeting;
- 25 (e) in the person's capacity as a liquidator, the Official Receiver, the Official Assignee or the Public Trustee; or
- 30 (f) by reason of the person holding such other office as may be prescribed for the purposes of section 7(9)(c) of the Companies Act 1967.”;

(b) in section 42, replace subsection (1) with the following subsection:

“(1) Without affecting sections 31 and 78, the Authority may, by written notice —

5           (a) direct any designated telecommunication licensee, trustee-manager of any designated business trust or trustee of any designated trust to obtain from a holder of equity interests in the designated telecommunication licensee,  
10           designated business trust or designated trust (as the case may be) and to provide to the Authority within such time as may be specified in the notice, any information relating to the holder that may be required to ascertain or investigate  
15           into any holding of equity interests or control of voting power in the designated telecommunication licensee, designated business trust or designated trust (as the case may be) for the purposes of this Part; or

20           (b) direct any person to provide to the Authority, within such time as may be specified in the notice, any information required to ascertain or investigate the holding of any equity interests or control of voting power in a designated telecommunication licensee, designated  
25           business trust or a designated trust for the purposes of this Part”;

30           (c) in section 92(3)(c)(iv), after “paragraph (a)”, insert “, including the payment of consideration by the transferee to the relevant telecommunication licensee”; and

(d) in section 92(6), replace paragraph (b) with the following paragraph:

35           “(b) the provisions of the memorandum or articles of association, trust deed, partnership agreement, limited liability partnership agreement, or other

constitution or equivalent instrument, of the relevant telecommunication licensee.”;

(e) in section 92(19), after the definition of “business”, insert —

““consideration”, in relation to a transfer of any business or property of a relevant telecommunication licensee, means the payment of monetary or other consideration by the transferee or any person on the transferee’s behalf to the relevant telecommunication licensee for the transfer of the whole or any part of the business or property of the relevant telecommunication licensee

### **Saving and transitional provisions**

**18.**—(1) Section 79A of the principal Act (as inserted by section 16) applies only to financial penalties imposed on and after the date of commencement of that section.

(2) Section 79B of the principal Act (as inserted by section 16) applies to all sums collected by the Authority on and after the date of commencement of that section, even if the sum was due and payable prior to that date.

(3) Where an approval is given by the Authority under section 65 of the principal Act before the date of commencement of section 9, the approval continues to have effect as if section 9 had not been enacted.

(4) Where a direction is given by the Authority under section 66 of the principal Act in force immediately before the date of commencement of section 11, the direction continues to have effect as if section 11 had not been enacted.

(5) Any contravention of section 65 of the principal Act before the date of commencement of section 9 may be dealt with as if section 11 had not been enacted.

(6) Any decision, direction, or written order of the Authority or the issue or approval by the Authority of a code of practice or standard of performance made before the date of commencement of section 12 may be the subject of reconsideration under section 67A of the principal Act if the request for reconsideration is made after that date

and within 14 days of the receipt of the decision, direction, written order, or issuance or approval.

(7) Where an appeal has been made to the Minister under section 68 of the principal Act before the date of commencement of section 13 and the appeal had not been dealt with or disposed of on that date,  
5 the appeal may be dealt with as if section 13 had not been enacted.

(8) For a period of 2 years after the date of commencement of any provision of this Act, the Minister charged with the responsibility for that provision may, by regulations, prescribe such additional  
10 provisions of a saving or transitional nature consequent on the enactment of that provision as the Minister may consider necessary or expedient.

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## EXPLANATORY STATEMENT

This Bill seeks to amend the Info-communications and Media Development Authority Act 2016 (the Act) to make provisions in relation to the competition regulation of the media sector to align with that in the telecommunications sector, to reduce the regulatory burden on the media industry and to make certain other amendments to the Act. It also makes consequential and related amendments to the Telecommunications Act 1999.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2 to insert a new definition of “designation notification” to provide flexibility in the modes of notifications that may be used in the designation of “essential resources” in the definitions of “owner” and “controller” in relation to essential resources, and in section 63(3)(b) relating to designation of regulated persons whom the Authority considers to have a dominant or non-dominant position in the market. It also revises the definition of “essential resource” and removes the definition of “regulated person” (which is shifted to section 59). It also introduces the definitions of “control” and “essential resources” which is to be read together with the new definitions for “owner” and “controller” in relation to essential resources. New definitions for “media resource” and “newspaper permit” are also introduced.

Clauses 3 and 4 introduce new sections 59, 60A and 60B which provide for the interpretation of terms and concepts used in Part 7.

New section 59(1) inserts a definition of “30% controller” which is used in new sections 65 and 65AA to regulate a person who, alone or together with the person’s associates, has the requisite control of equity interests or voting power in

a regulated person. It also inserts definitions for “business trust”, “corporation”, “designated media licensee”, “director”, “effective control”, “entity”, “equity interest”, “media licensee”, “Official Receiver”, “related corporation”, “share”, “unit”, “unitholder” and “voting share”.

The subsection also amends the definition of “regulated person” such that the use of the term in Part 7 may extend to an entity whose business is regulated by a broadcasting licence under sections 8 and 9 of the Broadcasting Act 1994 (including a holder of the licence) and that the term may cover a newspaper company for the purposes of Part 7 (and not just section 65). The regulated persons would be specified by the Minister in the *Gazette*.

New section 59(2) sets out a deeming provision on interest in an issued share of a regulated person. New section 59(3) and (4) elaborate on what is to be regarded as control of voting power. New section 59(5) provides further clarity on what is to be regarded as business for a business trust or a trust.

New section 60A sets out when a person is regarded or not regarded or is deemed to be holding an equity interest, and new section 60B sets out when a person is regarded as an associate, both of which are applied in the definition of “30% controller”.

Clause 5 amends section 61 for the following purposes:

- (a) to allow the Authority to, in addition to issuing codes of practice, standards of performance or advisory guidelines, approve documents issued by others as a code of practice, or standard of performance;
- (b) to extend the application of subsections (6) to (8) to standards of performance;
- (c) to make it clear that a code of practice or standard of performance may include rules and procedures that must be complied with by regulated persons and other related persons, as well as the terms and conditions which the Authority may impose when granting an approval under section 65(1), (2) and (3).

Clause 6 addresses a regulatory gap by inserting new section 61A which empowers the Authority to issue directions to be observed by an owner or a controller of an essential resource designated under section 2(1) or a regulated person. It provides the Authority with power to issue directions to regulated persons to ensure market efficiency, ensure coordination and cooperation in the use or sharing of media resources or essential resources, or where it is in the public interest, similar to section 31 of the Telecommunications Act 1999 (the Telecommunications Act) for the telecommunications sector. Unlike the written orders that may be issued under section 66, there is no requirement that there must be breach of a provision in Part 7 of the Act or a provision in a code of practice before a direction can be issued. If there is non-compliance with the direction issued by the Authority under this section, the Authority may take enforcement

action under section 66 (which will be amended to cover breaches of any directions issued under Part 7 of the Act).

Clause 7 amends section 62 to only void an anti-competitive decision or agreement of a regulated person to the extent that it infringes the prohibition against such decisions or agreements under section 62(2) of the Act.

Clause 8 amends section 63 to replace the requirement of gazetting with designation notifications as defined in section 2, which will be for persons whom the Authority considers as having a dominant or non-dominant position in a market for media services. It also makes it clear that the provision of media services must be pursuant to a broadcasting licence or a newspaper permit.

Clause 9 replaces the existing section 65 with new sections 65, 65AA and 65AB.

The new section 65 provides for more comprehensive regulatory oversight by the Authority over certain transactions relating to the control of equity interests and voting power, similar to that in sections 37 and 38 in the Telecommunications Act. It now covers acquisitions of a regulated person by any person, including a non-regulated person as well as acquisitions by a non-media entity. The Authority may issue directions under section 65AB for a contravention of section 65(1), (2) or (3) by any person. To reduce the regulatory burden, provision is also made to enable immaterial transactions that do not require the Authority's approval to be specified in the subsidiary legislation, but notice of such transactions will be required under section 65(6), failing which a criminal penalty will be imposed on the trustee-manager or trustee of the regulated person who fails to provide the notice. Enforcement action may be taken under section 66 for a regulated person who fails to provide the notice.

The new section 65AA vests the Authority with new powers to issue directions to a regulated person or specified person (defined in section 65AA as a person who has acquired the specified level of control of equity interest or voting power in a regulated person). The directions may be issued if there is a contravention of section 65 or the conditions imposed for an approval under section 65, or if relevant information was not provided in the application for approval under section 65, or if the specified person's control of the regulated person is likely to substantially lessen competition or is against the public interest. The directions may impose restrictions on a regulated person relating to the exercise of voting rights or power, issuance or offer of equity interests, or payments in respect of specified equity interests. It may also require the specified person or the specified person's associate to transfer or dispose its specified equity interests or direct the specified person to dispose of any part of its regulated business or relinquish control over the regulated person. Failure by a person to comply with a direction issued under subsection (2)(b), (c) or (d) will be a criminal offence. Failure by a regulated person to comply with a direction issued under subsection (2)(a) may also lead to enforcement action under section 66. In order to administer the Act,

section 65AB enables the Authority to obtain from a holder of equity interest (directly or through the regulated person) or from any person, information relating to the holding of equity interest and voting power in a regulated person.

Clause 10 removes the definitions of “designated media licensee” and “media licensee” from section 65A. These definitions are inserted into section 59(1) instead.

Clause 11 renames the directions issued under section 66 as written orders, aligning the terminology with written orders issued under section 10 of the Telecommunications Act. It is also amended to enable enforcement action to be taken under the section arising from a failure to comply with a direction issued under Part 7, and the infringement of a standard of performance (in addition to a breach of a code of practice).

Clause 12 inserts new section 67A to provide for reconsiderations by the Authority and appeals to the Minister of its directions, written orders and decisions upon request (called a reconsideration request).

Clause 13 replaces section 68 with a new section 68 that provides for appeals to the Minister. Any appeal filed to the Minister while a reconsideration request is ongoing will be regarded as withdrawn.

The Minister has the power to issue a separation order under new section 69A (introduced by clause 14) if —

- (a) a regulated person owns or controls any media resource used in the provision of any media service conducted pursuant to a broadcasting licence or newspaper permit (the relevant media services) which is so costly or difficult to replicate that it creates a significant barrier to entry by an efficient competitor, or that the relevant regulated person has significant market power and the relevant media services provided by the relevant regulated person are required by others and it would be so costly or difficult to provide the relevant media services that a requirement to do so would create a significant barrier to provision of the media services on a competitive basis by an efficient competitor;
- (b) the Minister is satisfied that the actions the Authority has taken have failed or are likely to fail to enable an efficient competitor to achieve rapid and successful entry into the market or provide the relevant media services on a competitive basis; and
- (c) the Minister is satisfied that it is in the public interest.

The separation order may direct a transfer of business or property to a separate or independent entity as well as to use other measures to ensure its effectiveness.

Clause 15 inserts new section 71A to empower the Authority to obtain information relating to a media resource in order to ascertain whether it should be

designated as an essential resource, and enable the Authority to carry out its functions and duties under the Act.

Clause 16 inserts new section 79A to enable interest (to be prescribed) to be charged for the late payment of a financial penalty imposed under the Act. It also inserts new section 79B to provide for the recovery of financial penalties and late payment interest, and for the financial penalties collected under the Act to be paid into the Consolidated Fund.

Clause 17 makes consequential and related amendments to the following provisions of the Telecommunications Act 1999:

- (a) section 37(14) relating to control of voting power in order to align them with similar provision in section 59(4) which is introduced through clause 3 of this Bill;
- (b) section 42(1) relating to power of Authority to obtain information relating to control of regulated entities in order to align the provision with similar provision in section 65AB which is introduced by clause 9 of this Bill;
- (c) section 92 of the Telecommunications Act 1999 relating to the power of the Minister to issue separation order for the telecommunications sector in order to align them to similar provisions in section 69A introduced through clause 14 of the Bill relating to the power of the Minister to issue separation order for the media sector.

Savings and transitional provisions are set out in Clause 18 to provide that —

- (a) late payment interest under section 79A of the Act will only be charged for financial penalties imposed on or after commencement of clause 16;
- (b) sums collected by the Authority on and after the date of commencement of clause 16 shall also go into the Consolidated Fund, even if the sum was due and payable prior to the date;
- (c) approvals given by the Authority under section 65 of the Act prior to commencement of clause 9 continue to have effect as if clause 9 had not been enacted;
- (d) a direction given under section 66 of the Act prior to the commencement of clause 11 continues to have effect as if clause 11 had not been enacted;
- (e) any decision, direction, or written order of the Authority or the issuance or approval of a code of practice or a standard of performance before the commencement of clause 12 may be the subject of reconsideration under section 67A if the request for reconsideration is made within 14 days of the decision, direction, written order, issuance or approval;
- (f) appeals filed prior to the commencement of this Bill will be dealt with as if this Bill had not been enacted; and

- (g) the Minister may through subsidiary legislation make other saving and transitional provisions within 2 years from the commencement of any provision of this Bill.

### EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.

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