

27 March 2024

Hon'ble Minister Audrey Tang
Ministry of Digital Affairs (MODA)
No. 143, Yanping S. Rd., Zhongzheng Dist.
Taipei City 100057, Taiwan

Subject: Industry Concerns over Taiwan's Anti-Fraud Act ("Draft Act")

Dear Minister Tang,

As an introduction, the AIC is an industry association of leading Internet and technology companies that promotes the understanding and resolution of Internet policy issues in the Asia Pacific region. Our mission is to represent the Internet industry, and participate in and promote stakeholder dialogue between the public and private sectors, sharing best practices and ideas on Internet technology and the digital economy.

We are writing in response to recent closed-door discussions involving some of our Members with the Ministry of Digital Affairs (MODA) and staff, with regards to the Taiwan Ministry of the Interior's Anti-Fraud Act draft legislation. Members of the AIC appreciate the opportunity to share views, principles, and best practices regarding Taiwan's fight against online fraudulent ads. This is clearly a worthy and critical topic that offends not only the Taiwan society but also governments, communities, and business allies in all of Asia and beyond.

While we acknowledge that these discussions are in their preliminary stages, we express some concerns regarding the potential implications of the proposed measures. Specifically, there appears to be a tendency for government agencies to favor strict regulatory mechanisms and intermediary liabilities without sufficient consideration of key Internet principles, such as commonly-held intermediary liability rules and clear safe harbor provisions.

While we fully support the public-private collaboration of fighting online fraud ads, it is essential to proceed with caution. Heavy-handed regulatory measures, if not carefully calibrated to meet the principles of necessity and proportionality, could inadvertently stifle innovation, and create uncertainty in the online environment. We believe it is

crucial to strike a balance that effectively addresses the issue of online fraud while preserving an environment conducive to innovation and growth.

As MODA continues to develop its own position, reflective of the Anti-Fraud Act draft legislation, the AIC hopes for a transparent, multi-stakeholder approach in developing this draft that opens the dialogue to all our members. A hastily drafted law may open the doors to an unintended and broader than expected interpretation and implementation of the law, which is a cause for alarm for all our members and intermediary businesses, as opposed to a select few.

The AIC remains committed to fostering dialogue and collaboration between the public and private sectors in addressing Internet policy challenges. We humbly urge the Ministry to continue to uphold the virtues of intermediary liability and safe harbor principles in the face of resistance from other ministries, and further share drafts and updates to this cause to allow inputs from the business community.

Should you have any questions or need clarification on any of the recommendations, please do not hesitate to contact me directly at Secretariat@aicasia.org or +65 8739 1490. Thank you for your time and consideration.

Thank you for your attention on this matter.



Sincerely,
Jeff Paine
Managing Director
Asia Internet Coalition (AIC)

Asia Internet Coalition Member Companies

