

10 September 2005

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[China Telecom Wants To Block Skype](#)

Because it may destroy market order



Skype may have some trouble in China, as China Telecom, China's largest fixed-line phone carrier, began blocking access to this service. According to media reports, China Telecom considers that Skype is threatening its long-distance revenue. Skype enables subscribers in China to dial to major Western markets in the United States and Europe for as little as 2,5 US cents per minute. The rates per minute from China Telecom are closer to \$1. According to the Shanghai Daily online newspaper, China Telecom is already blocking access to service in the southern province of Shenzhen, but is expected to expand the ban nationally. Also, Financial Times is reporting that an employee at a Shenzhen Telecom service centre said staff had been instructed to tell customers who complained about being unable to access SkypeOut that such internet telephone services were illegal in China under a 2004 regulation because they would "destroy market order". A China Telecom spokesman had no comment on the reports about the Shenzhen blockage, but gave a broader view. "Under the current relevant laws and regulations of China, PC-to-phone services are strictly regulated and only China Telecom and China Netcom are permitted to carry out some trials on a very limited basis," he said.