

Outcome of the Review of the Number of Public Payphones

Telecommunications Users and Consumers Advisory Committee
5 December 2019



Background

- In view of the diminishing public demand for public payphones (“PPs”), the Communications Authority (“CA”) decided in June 2017 to embark on a review of the number of public payphones under universal service obligation (“USO”)
- At the meeting on 19 July 2018, the Office of the Communications Authority (“OFCA”) briefed Members on the review arrangement
- OFCA completed the review in May 2019

Guiding principles of the Review

OFCA conducted the review in accordance with the guiding principles laid down by the CA, namely that:

- 1) PPs with an extremely low usage rate, viz. with an average revenue of not more than \$1 per day, were the subject of the review
- 2) despite extremely low usage, a kiosk PP located in remote areas with no mobile network coverage and no alternative kiosk PP in the vicinity was proposed to be retained. Further, at least one in-building (“IB”) PP was proposed to be retained for each IB PP location
- 3) relevant stakeholders were engaged in the review process so that any needs and considerations specific to the districts or locations were well catered for before a decision to exclude specific PPs from the USO was made

Outcome of the Review (1)

For IB PPs:

- OFCA consulted all the relevant owners / managers of the sites (e.g. hospitals, universities, recreational and civic centres) between July 2017 and February 2018
- OFCA decided to exclude 515 IB PPs, or about 35% of the total number of IB PPs from the USO



Outcome of the Review (2)

For kiosk PPs:

- OFCA consulted 18 District Councils (“DCs”) between March 2018 and March 2019
- OFCA decided to exclude 765 kiosk PPs, or about 50% of the total number of kiosk PPs from the USO



Outcome of the Review (3)

Removal of PPs:

- The universal service provider (“USP”) has already removed all the IB PPs excluded from the USO
- The USP will retain and operate a few of the kiosk PPs excluded from the USO at its own cost, and remove the rest of the excluded kiosk PPs

Adding functions to PP kiosks (1)

- During the consultations with the DCs, certain DC members expressed views that new functions should be added to the PP kiosks that are retained, for example :
 - ❖ providing free charging service
 - ❖ web browsing facilities
 - ❖ traffic and tourist information
- The USP has also expressed interest in revamping its PP kiosks into smart kiosks to provide a variety of telecommunications and non-telecommunications services

Adding functions to PP kiosks (2)

- The Commerce and Economic Development Bureau has given in-principle policy support to the USP's proposal to revamp the PP kiosks retained under the USO
- Smart kiosks will help promote smart city developments and expand the communications network infrastructures including those for 5G services
- The USP is now applying for amendments to the terms of the block licence for PP kiosks granted by the Lands Department in order to kick off a trial scheme in selected districts



Thank You

