

Office of the Communications Authority
Major Tasks and Projects for 2014-15

(I) Priority Tasks/Projects

(1) Support to the Communications Authority

1. We will continue to provide the necessary support to the Communications Authority (CA) to enable it to assume the full spectrum of its regulatory functions.

(2) Review of Legislation

2. The Government will review the existing Broadcasting Ordinance (BO) and Telecommunications Ordinance (TO) and work with the CA to devise a plan on the areas to be reviewed and the review timetable. We will support the Government and the CA in this exercise.

(3) Regulation of Telecommunications Services and Equipment

3. In February 2012, the licensee of broadcast-type mobile television services has launched its service. In December 2013, Hong Kong Television Network Limited acquired the company holding the licence for broadcast-type mobile television services and changed its name to Hong Kong Mobile Television Network Limited (HKMTV). HKMTV's target is to launch its new services on 1 July 2014. We are liaising with HKMTV closely about the provision of its mobile television services, its sharing of the hill top sites with another carrier licensee, its compliance with all the legal and regulatory requirements as well as the industry code of practice.

4. In November 2012, we conducted a public consultation exercise on the withdrawal of regulatory guidance on the charging principles of fixed-fixed narrowband interconnection. Taking into account the responses received, the CA announced on 16 April 2013 that the regulatory guidance would cease to be effective starting from 16 October 2014, after an 18-month transitional period. We will continue to monitor the market developments during the transitional period and assist the industry in resolving problems, if any, arising from the withdrawal of the regulatory guidance.

5. We have completed the review of the regulatory regime for local access charge (LAC) for the interconnection between local fixed/mobile operators and external service providers. A new LAC regime was introduced on 1 July 2013 after a transitional period of 18 months. We will continue to monitor the market developments and assist the industry in resolving problems,

if any, arising from the implementation of the new regime.

6. We have appointed a consultant in 2011 to study the implications of the deployment of Next Generation Network (NGN) in Hong Kong on our regulatory regime. The consultant completed its study and put forward a number of recommendations. We have reconvened the NGN working group to follow up the relevant recommendations made by the consultant and other issues pertaining to the development of NGN in Hong Kong. We will work closely with the industry to address various NGN issues to ensure the smooth roll out of NGN in Hong Kong.

7. To ensure the safety of the general public, we issued the implementation guidelines on mitigating the risk of gas explosion in telecommunications manholes in June 2010. Fixed operators with manholes installed in public streets are required to follow the guidelines in conducting regular inspection and implementing mitigation measures to prevent gas explosion in their manholes. We will continue to monitor the conduct of regular inspection and implementation of mitigation measures by the operators.

8. In 2001, we auctioned off the radio frequencies in the 1.9 – 2.2 GHz band for the provision of the third generation (3G) mobile telecommunications services. The relevant spectrum assignment will expire in October 2016. Taking into account inter-alia representations received from the two rounds of public consultation conducted in 2012 and 2013 respectively, the CA announced its decision in November 2013 to adopt a hybrid administratively-assigned cum market-based approach to re-assign the 3G spectrum in the 1.9 – 2.2 GHz band, under which two-thirds of the spectrum will be re-assigned administratively to the incumbent 3G operators through right of first refusal and the remaining will be re-assigned through auction. The Secretary for Commerce and Economic Development (SCED) also announced the related arrangements for the spectrum utilisation fee on the same day. The November 2013 announcement provides a notice period of about three years for the incumbent 3G operators to prepare for the spectrum re-assignment in October 2016. We will assist the SCED in completing the necessary legislative amendments in the first half of 2014 whereupon the CA will offer the right of first refusal of two-thirds of the spectrum in the 1.9 – 2.2 GHz band to the incumbent 3G operators. We will assist the CA in finalizing the auction rules and issue the related Information Memorandum to the industry. It is expected that the auction of the remaining 3G spectrum will be held in the fourth quarter of 2014.

9. We discussed with the Ministry of Industry and Information Technology (MIIT) of the Mainland of China on the charges for mobile roaming service between Hong Kong and the Mainland. It is agreed that the

one-card multiple-number service is an effective substitute to address the issue of high mobile roaming fees. Mobile operators in Hong Kong and the Mainland have reached commercial agreements among themselves on the provision of one-card-multiple-number service. We will continue to monitor the market situation and liaise with MIIT and Guangdong Communications Administration with a view to fostering the growth of the service.

10. An international treaty, the International Telecommunications Regulations (ITRs), was revised in the World Conference on International Telecommunications held in December 2012 and will come into force on 1 January 2015. There are new provisions for the use of numbering resources, transmission of calling line identification information, international roaming services, network security, energy efficiency and e-waste as well as service accessibility for persons with disabilities. To ensure that Hong Kong keeps in pace with the high level principles as enshrined in the revised ITRs, we are in the process of reviewing our regulatory regimes, and will complete the revision of the relevant regulatory guides or codes of practices in consultation with the industry before the effective date of January 2015.

(4) Facilitating Infrastructure Rollout

11. To make it simpler and quicker for interested parties to install new submarine cables with or without affiliated data centres in cable landing stations in Hong Kong, we launched in April 2010 a thematic web page on the subject, providing necessary information to interested parties about landing of new submarine cables in Hong Kong. Currently, the Office of the Communications Authority (OFCA) offers a single-point-of-contact service to prospective applicants. We will convene ad hoc working groups with relevant government departments and organisations with a view to expediting the vetting processes of the applications as necessary.

12. We have coordinated with the industry and liaised with the relevant Government departments and the Mainland authorities on the provision of telecommunications infrastructure on new cross-boundary facilities, including the Hong Kong-Zhuhai-Macao Bridge and the new railway system between Hong Kong and Guangdong. We will continue to monitor the developments closely.

13. To help sustain Hong Kong's position as an advanced wireless city, we strive to assist mobile and fixed operators in deploying government facilities, in particular lamp posts, for installing radio base stations and Wi-Fi systems respectively. Operators are working on the standard design for approval by the Highways Department. In tandem, we will continue to facilitate mobile operators to roll out their mobile broadband services by

deployment of the hill-top sites.

(5) Facilitating Access

14. We will continue to facilitate access to buildings by network operators for the installation of in-building telecommunications facilities for the conveyance of telecommunications and broadcasting services.

15. The Chief Executive in Council (CE in C) decided on 15 October 2013 to grant approval-in-principle to the free TV licence applications submitted by Fantastic Television Limited (Fantastic TV) and Hong Kong Television Entertainment Company Limited. Upon the formal grant of the licences by the CE in C, we will render support and assistance to the relevant licensees in facilitating their access to buildings for the installation of in-building telecommunications facilities for the conveyance of these services.

(6) Consumer Protection

16. To help resolve billing disputes in deadlock between telecommunications service providers and their customers, the OFCA has facilitated the telecommunications industry in setting up the Customer Complaints Settlement Scheme (CCSS) for a trial period of two years starting from 1 November 2012. We will continue to sponsor the trial operation of the CCSS by contributing the necessary funding and will play an active role in monitoring the performance and the governance of the scheme. Following the trial period, the OFCA and the industry will assess the effectiveness of the CCSS in deciding the way forward.

17. In February 2010, we issued a code of practice for telecommunications service contracts which aimed at providing guidance on what constitutes fair, balanced and reasonable service contracts for operators to draw up their service contracts. Since July 2011, the Communications Association of Hong Kong (CAHK) has implemented an industry version of the code (Industry Code) for self regulation by the industry. We will continue to monitor the implementation of Industry Code and liaise with CAHK on the revision of the Code to further enhance protection for telecommunications service customers.

18. The Trade Descriptions Ordinance (TDO) as amended by the Trade Descriptions (Amendment) Ordinance (TD(A)O) has commenced operation since 19 July 2013. The CA is conferred concurrent jurisdiction to enforce the fair trading sections in respect of the commercial practices of the telecommunications and broadcasting licensees which are directly connected with the provision of a telecommunications or broadcasting service under the

TO or the BO. We will continue to closely monitor the developments in the telecommunications and broadcasting markets, investigate cases involving unfair trade practices, and where circumstances warrant, exercise powers conferred on the CA under the TDO against offending BO and TO licensees.

(7) Spectrum Management

19. A statement on “Spectrum Utilisation Fee (SUF) for Spectrum Assigned Administratively” was jointly issued by the SCED and the former Telecommunications Authority in September 2011. SUF for the use of spectrum at congested frequency bands would be imposed after a grace period of two years. To implement the scheme, the Government will make the necessary amendment to the Telecommunications (Designation of Frequency Bands subject to Payment of SUF) Order (Cap. 106Y) and to specify through the making of a new regulation the level of SUF under section 32I(2) of the TO.

20. In 2009, we commissioned a consultant to conduct a study on the feasibility of introducing spectrum trading in Hong Kong. Based on the report prepared by the consultant, we will assist the Commerce and Economic Development Bureau (CEDB) in considering the way forward.

21. We have fully implemented the recommendations of the World Radiocommunication Conference (WRC) of the International Telecommunication Union held in early 2012, and have initiated the preparatory work for the next WRC to be held in end-2015.

22. Spectrum to be used by or on behalf of the Government will continue to be managed administratively by the OFCA. We have completed the second review of the efficiency of the spectrum used by the government in 2013 and posted our findings on our website. The next review will be conducted in 2016-17.

23. A radio monitoring and direction finding system was installed for our Radio Monitoring Unit in 2001. We need to replace the existing system as its serviceable life is about to end. We aim to issue a tender for the new system in 2014.

(8) Regulation of Broadcasting Services and Equipment

24. In March 2011, the Government granted 12-year sound broadcasting licences to Digital Broadcasting Corporation Hong Kong Limited, Metro Broadcast Corporation Limited and Phoenix U Radio Limited for the provision of digital audio broadcasting (DAB) services. As required under their licences to formally launch their services within 18 months after grant of

licences, i.e. by September 2012, all three licensees formally commenced services by the deadline. We will monitor the DAB services of all three licensees, including their technical performance and deployment of the DAB network, so as to ensure their compliance with licence requirements.

25. In October 2013, the CE in C approved in principle the applications of Fantastic Television Limited (Fantastic TV) and Hong Kong Television Entertainment Company Limited (HKTVE) for domestic free television programme service licences. We will follow-up with the two applicants and assist the CA in finalizing for submission to the CE in C its recommendations on whether free television programme service licences should be formally granted to Fantastic TV and HKTVE and the conditions subject to which the licences may be granted.

26. The domestic free television programme service licences of ATV and TVB are due to expire in November 2015. The two licensees have submitted applications for licence renewal in accordance with the requirement under the BO. We will support the CA in assessing the performance of ATV and TVB during the validity of their current licences and in conducting public hearings and a territory-wide opinion survey on the free TV service of ATV and TVB to enable the CA to finalise for submission to the CE in C by November 2014 its recommendations on the renewal or non-renewal of the licences and the conditions subject to which the licences may be renewed. We will also assist the CA in considering the related spectrum-assignment issues.

27. The domestic pay television programme service licence of PCCW Media Limited (PCCW Media) is due to expire in September 2015. PCCW has submitted an application for renewal of its licence in accordance with the requirement under the BO. We will support the CA in assessing PCCW Media's performance during the validity of its current licence and in conducting public hearings and a territory-wide opinion survey on the pay TV service of PCCW Media to enable the CA to finalise for submission to the CE in C by September 2014 its recommendations on the renewal or non-renewal of the licence and the conditions subject to which the licence may be renewed.

28. The current analogue sound broadcasting licences of Hong Kong Commercial Broadcasting Company Limited and Metro Broadcast Corporation Limited are due to expire in August 2016. Under their licences, the licensees are required to submit applications for licence renewal not less than 24 months before the date of expiry. Subject to the receipt of their applications for licence renewal by August 2014, we will support the CA in assessing their performance during the validity of their current licences and in conducting public hearings to enable the CA to finalise for submission to the CE in C its recommendations by

May 2015 (i.e. not less than 15 months before the expiry date as required by section 13E(1) of the TO) on the renewal or non-renewal of the licences and the conditions subject to which the licences may be renewed.

29. We review and revise the codes of practice for compliance by broadcasting licensees from time to time to ensure that they reflect changing community attitudes and standards and new broadcasting developments. We have embarked upon a review of the codes in respect of the regulation of editorial programmes and personal view programmes and intend to complete the exercise in 2014-15 following a public consultation.

30. Since the launch of digital terrestrial television (DTT) services in late 2007, the two domestic free television programme service licensees have constructed in phases a total of 29 transmitting stations, bringing the overall DTT coverage to around 98% of the population by the end of 2012. Under the approval granted by the CA in June 2012, the two licensees are required to extend their DTT coverage to at least 98% of the population before end of 2012, and at least 99% of the population, i.e. on a par with that of analogue television broadcasting, by the third quarter of 2013. In 2012-13, the two licensees were working to increase the transmitting power of 17 fill-in transmitting stations for further improving the coverage. The power increase exercise was completed in mid-2013. The field survey exercise conducted by the two licensees to validate the population coverage has been completed by early 2014. We will continue to monitor the implementation plans of the two licensees to further improve the service coverage.

31. The Government announced in 2011 that the working target for switching off analogue terrestrial television (ASO) was end 2015. We set up an expert group with the Mainland authorities in August 2012 for frequency coordination after ASO and will continue to explore whether the vacated radio spectrum can be allocated for new services. We will also provide technical support to the CEDB in the preparation for ASO.

(9) Regulation of Unsolicited Commercial Electronic Messages

32. The Unsolicited Electronic Messages Ordinance (UEMO) has been in operation for around six years. Based on our operational experience, we have made substantial revisions to the operational procedures and in September 2012, computerised the complaint report management system to enhance the propriety and security control of our enforcement under the UEMO. The relevant code of practice (CoP) has also been updated and the revised CoP came into effect on 30 November 2013. We will seek amendments to the UEMO to allow service of notices issued by the CA by hand or by ordinary post, in addition to registered mail. We will continue to review and enhance

the effectiveness of enforcing the UEMO.

(10) Competition Affairs

33. In November 2011, we announced that a consultation would be conducted in relation to the conduct of information exchange between competitors in the telecommunications industry as a potential form of conduct in breach of the competition provisions of the TO, with a view to providing guidance to the industry. In light of the impending coming into operation of the competition rules of the Competition Ordinance (CO) and the consequential repeal of the competition provisions of the TO, we propose to provide the relevant guidance on information exchange as part of the CO guidelines for the competition rules, instead of providing the guidance under the TO.

34. We have completed the investigation into the complaints against the violation of the competition provisions of the BO by TVB and published the CA's investigation report in September 2013. The CA found TVB in breach of sections 13(1) and 14(1) of the BO, imposed on TVB a financial penalty of HK\$900,000, and directed TVB to end the concerned anti-competitive practices and to take a number of remedial actions. We will monitor closely TVB's observance of the directions imposed on TVB by the CA. Separately, TVB has lodged a statutory appeal against the CA's decision on the investigation with the CE in C. We will respond to the statutory appeal in according to established procedures.

35. We have continued to process competition complaints against alleged restriction imposed in Apple's iPhone 5/iPad products preventing access to some local fourth generation mobile networks in accordance with the competition provisions of the TO and relevant guidelines issued by the CA. We will also respond to Appeal Board and judicial review proceedings lodged by the concerned complainant.

36. We have issued a consultation paper in December 2013 in relation to the application for prior consent under Section 7P of the TO for the proposed acquisition of CSL Limited, a carrier licensee under the TO, by HKT Limited. We will continue to process the application in accordance with the requirements of Section 7P and the guidelines on mergers and acquisitions in the telecommunications sector issued by the CA.

37. The CO was enacted by the LegCo in June 2012. The CA is given concurrent jurisdiction to enforce the CO in respect of the conduct of telecommunications and broadcasting licensees, whilst the competition provisions in the BO and the TO will be repealed subject to transitional arrangements. The Competition Commission (Commission), which is the

principal competition authority to enforce the CO, has been established. We will liaise closely with the Commission on the preparation work in relation to the drafting of the memorandum of understanding and the various guidelines under the CO during the run up to the full commencement of the CO.

(11) Technical Standards

38. We have been working with the CEDB on the amendment of the Telecommunications (Control of Interference) Regulations (Cap. 106B) to update the classes of apparatus under control and the applicable control limits. An industry consultation on the proposed amendment to the Regulations was conducted from November 2011 to January 2012. We will complete the relevant legislative process in 2014. The industry will be given a transitional period of 12 months before the full compliance of the new regulations.

(II) Normal Tasks/Projects

(1) Regulation of Telecommunications Services and Equipment

39. In 2011, two mobile carriers successfully bid for the radio spectrum in the 850MHz and 900MHz bands. The successful bidder of the 850MHz band has already fulfilled the rollout obligation. We will continue to monitor the rollout progress of the successful bidder of the 900MHz band and coordinate with the successful bidder of the 900MHz band, the railway operator for operating the GSM-R system of the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong-Express Rail link and mobile operators providing radio coverage in the country parks and remote areas for the shared use of the overlapping frequencies in order to avoid mutual interference.

40. In February 2012, we conducted an auction for assigning 90 MHz of radio spectrum in the 2.3 GHz band. Two existing mobile network operators and one new entrant have successfully bid for the radio spectrum at a total spectrum utilization fees of HK\$470 million. We will follow up on the rollout of public telecommunications services using the radio spectrum released through the auction.

41. In March 2013, we conducted an auction for assigning 50 MHz of radio spectrum in the 2.5/2.6 GHz band for the provision of wireless broadband services. Four existing mobile network operators have successfully bid for the radio spectrum at a total sum of spectrum utilization fees of HK\$1.54 billion. Two successful bidders have fulfilled the rollout obligation using the radio spectrum assigned through the auction. We will continue to monitor the rollout progress of the other two successful bidders.

42. With a view to enhancing the efficacy of the administrative procedures and licence requirements for tariff publication and filing requirements of the licensees, we issued a set of guidelines to enhance the transparency of tariff information and to ensure consistent practice among the licensees in March 2012 after consultation with the industry. The relevant webpage of our website was revamped in August 2013 to facilitate the public and industry to search for the tariff information.

43. In order to update the procedures for licensees to file interconnection agreements with the OFCA and the publication of the agreements, we promulgated the updated arrangement for filing and publication of interconnection agreements in March 2012 by issuing a statement entitled "Update of the Existing Arrangements for the Filing and Publication of Interconnection Agreements". A database was developed for safekeeping the interconnection agreements received for internal reference. The redacted version of type II interconnection agreements and blockwiring agreements were published. Arrangement is being made to publish the redacted type I interconnection agreements by phases in 2014.

44. In April 2009, the fixed-mobile interconnection charge arrangement was de-regulated after a 2-year transitional period. Most operators have set up replacement arrangement among themselves. We will continue to monitor market developments.

45. We issued a statement in July 2009 to announce that network operators may implement fixed-mobile number portability (FMNP) on a voluntary basis. We are minded to work out the detailed arrangement with any interested operator before the actual implementation. In July 2013, one network operator showed interest in providing FMNP and we are following up with it. We will work out the implementation details with the industry as necessary.

46. Mobile operators are required to pay royalties for the use of radio spectrum in the 900/1800 MHz bands and 1.9 - 2.1 GHz band for provision of telecommunications services. We will continue to monitor their regulatory accounting reports to ensure compliance with the accounting manual that specifies the accounting practices for separation accounting and reporting of network turnover.

47. Mandatory Type II Interconnection at exchange level and at buildings with more than one self-built customer access networks was withdrawn in full on 30 June 2008. We will continue to monitor the network rollout of the alternative self-built customer access networks of the fixed

operator. We will also monitor the market development and liaise with fixed operators to assess the situations at buildings not equipped with alternative customer access networks with a view to deciding whether mandatory Type II Interconnection should be maintained in these buildings.

48. To stimulate and promote further development of our broadband infrastructure, we launched a voluntary registration scheme for residential buildings connected with fibre-based access networks in November 2010. The scheme was extended to cover non-residential buildings in April 2013. Under the scheme, fibre-connected buildings are categorised into two classes, i.e. the fibre-to-the-home (FTTH) buildings and the fibre-to-the-building (FTTB) buildings. As of Oct 2013, 13 600 residential buildings were registered with the scheme, representing about 83% of the total number of households in Hong Kong. 1 300 non-residential buildings were also registered with the scheme. We will continue to encourage participation of industry players.

49. We will continue to combat unauthorised telecommunications activities, including the sale and use of unauthorised telecommunications systems and devices, which are in breach of the TO, the relevant regulations and the conditions of the various telecommunications licences.

50. Up to November 2013, a total of 26 base stations serving country parks and the Hong Kong Geopark have been set up by mobile operators. We will continue to facilitate the installation of more base stations by these operators for improving mobile network coverage in country parks, the Hong Kong Geopark and rural areas.

51. In order to provide hikers with the necessary information on mobile network coverage in country parks and the Hong Kong Geopark, we have prepared 171 digital maps which show such coverage in those areas and posted them on our website for public information. We will continue to update the maps when new base stations are installed.

52. Since the implementation of the number fee regime in August 2008, operators have made a net return of 7.0 million numbers. We will continue to facilitate the operators' return of surplus numbers so that we may make the most effective and efficient use of the existing 8-digit numbering plan. We will continue to administer and make available the numbering resources so as to meet the market needs and to explore with the industry measures to promote the effective and efficient use of telecommunications numbers and codes.

53. We will continue to discuss and exchange views with MIIT on further opening up and lowering of the entry barrier to the telecommunications

market in the Mainland to Hong Kong Service Suppliers under the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA).

54. With the implementation of the new regulatory framework for the Universal Service Obligation (USO) with effect from 1 July 2007, we have calculated the Universal Service Contribution (USC) based on an updated costing model. We will continue to liaise with the Universal Service Provider for calculation of the USC on a regular basis and promulgate to the contributing parties. Separately, with the implementation of the new funding arrangement under the USO also from 1 May 2009, we have requested the Universal Service Cost contributing parties to report the subscriber number on a quarterly basis and to certify such information on an annual basis. We will continue to follow up and liaise with the concerned contributing parties based on this new reporting requirement.

55. Following the implementation of a new computerised system for processing applications for and renewals of private mobile radio systems licences (the Electronic Licensing System), we will extend the system to cover other private telecommunications licences in 2014.

56. We commissioned an independent third party to design, establish, operate and support a broadband speed test system in Hong Kong which enables and facilitates end users of fixed and mobile broadband services to test the performance of their broadband services. This test system sets a dedicated reference for local measurement and demonstration purposes. The system was launched in December 2010. Up to December 2012, accumulated total of more than 27 million tests were performed with an average daily hit rate of 55,000 in 2012. We enhanced the system to support higher fixed broadband speed test (up to 300 Mbps) in December 2012, and modified the iOS and Android apps to give more accurate measurements at high speed (up to 100Mbps) for mobile broadband connection in January 2013. We will continue to monitor the system performance and improve it taking into account market developments.

(2) Spectrum Management

57. To ensure the orderly development of new services and to minimise interference, we will continue to coordinate the use of radio spectrum for broadcasting and telecommunications services with neighbouring authorities.

(3) Regulation of Broadcasting Services and Equipment

58. We will continue to monitor the performance of the broadcasting licensees and ensure their compliance with the relevant legislative and licensing

requirements.

59. All broadcasting licensees are required to observe the relevant codes of practice issued by the CA. By virtue of the Charter of Radio Television Hong Kong (RTHK) promulgated in August 2010, RTHK should also ensure that all its TV and radio services are in compliance with the relevant CA's codes of practices. In particular, the programme codes set out the standards to be generally observed in programmes, covering issues such as taste and decency, the portrayal of sex and nudity, the use of language, impartiality and fairness. The advertising codes deal with standards for the presentation and content of advertisements and sponsored programmes. The technical codes set out the technical standards of television and sound broadcasting services. To ensure the compliance with these codes by the licensees, we will continue to act on the complaints lodged by the public in a rigorous and transparent manner.

60. In the context of the mid-term review of the domestic free television programme service licences in 2010, the CE in C approved, among other things, the recommendations of the former Broadcasting Authority to engage the public to collect their views on the quality and variety of the television programmes provided by the licensees. The second public engagement exercise was conducted in 2013. The CA will continue to conduct public engagement exercise to gauge public's views.

61. We will continue to liaise with the consumer electronics industry on the supply of compatible DTT receivers, and with building management offices and residents on the upgrading of their In-building Co-axial Cable Distribution Systems for DTT reception. To allow consumers to make an informed choice in purchasing DTT receiving equipment which is compliant with the local DTT standard, we will continue to operate the labelling scheme for DTT receivers.

62. We will continue to regulate the technical performance of the licensed broadcasters.

63. We will continue to improve the reception of the existing free terrestrial television and sound broadcasting in the territory, especially in areas where reception is not satisfactory.

64. We will continue to combat the import, export, trading and commercial use of unauthorised television decoders.

(4) Regulation of Unsolicited Commercial Electronic Messages

65. We will continue to handle and investigate reports of suspected contravention of the UEMO and take appropriate action following the technology neutral principle. We will continue to review the report handling procedures. We will also provide support and advisory services to CEDB on spam related issues.

66. We will continue to maintain three Do-not-call Registers (DNCs) for use by the general public, and for businesses/organisations as senders of commercial electronic messages.

67. We will continue to publicise the regulations under the UEMO and the operation of the three DNCs to ensure that businesses and the public are aware of their obligations and rights under the UEMO.

68. We will continue to liaise with local and overseas anti-spam organisations to facilitate cooperation in spam control and sharing of experience and intelligence of anti-spam issues.

(5) Advisory and Support Services

69. We will continue to provide support to the communications satellite operators registered in Hong Kong by attending satellite co-ordination meetings and issuing licences for the launching and operation of new or replacement satellites.

70. We will continue our coordination with local, Mainland and overseas satellite operators and administrations on satellite launching, coordination and interference matters.

71. We will continue to strengthen Hong Kong's participation, by both the Government and the private sectors, in international and regional telecommunications fora, and to provide support to regional/international telecommunications projects.

72. We will continue to provide support to the Trade and Industry Department (TID) and CEDB on the implementation and further expansion of the CEPA and closer co-ordination with Guangdong with respect to the provision of telecommunications services in the Mainland by Hong Kong service suppliers.

73. We will continue to support TID and CEDB in establishing free trade agreements with other economies with a view to facilitating market access and the provision of telecommunications services.

(6) Technical Standards

74. We will continue to monitor the development of telecommunications standards and formulate and update the local standards where necessary.

75. We will continue to monitor the process and performance of local certification bodies in the provision of testing and certification services under the accreditation scheme administered by the OFCA.

76. We will continue to implement the Mutual Recognition Arrangement for telecommunications equipment led by the Asia Pacific Economic Cooperation Telecommunications and Information Working Group.

77. We will continue to monitor the electrical safety and the radiation exposure limit of uncertified mobile phones placed on the market. In 2013, we commissioned a laboratory to conduct measurement of the Specific Absorption Rate (SAR) for 12 uncertified mobile phones. The test indicated that the SAR values of all the 12 mobile phones were below the 2W/kg limit as recommended by the International Commission on Non-Ionizing Radiation Protection.

(7) Corporate Affairs and Handling of Consumer Complaints

78. In line with the OFCA's role in promoting Information and Communication Technologies (ICT) applications over telecommunications networks, we will sponsor and fund special seminars, projects and campaigns for promoting the safe use of ICT for improving quality of life, operating efficiency and learning.

79. We will continue to promote the smart use of communications services, especially new services of which consumers may not have sufficient knowledge, through the launch of the annual consumer education campaign, which offers various activities and programmes for public participation such as public seminars, roving exhibitions etc, communications through the mass media, the OFCA's web site and joint efforts with various user groups and industry organisations.

80. On the handling of consumer complaints, we will ensure that complaints involving possible contraventions of the provisions of the TO, the BO, the UEMO, the TDO and the CO or licence conditions are attended to promptly. For complaints that fall outside the scope of the legislative provisions and relevant licence conditions, we will ensure that they are promptly referred to the concerned operators in order that they may be dealt

with swiftly and effectively.

81. To help the industry, the media and the public understand the new developments in the communications market and the OFCA's new initiatives, we will organise industry and media activities as necessary for effective communication.

82. We will continue to enhance the public complaint register such that we may keep track of the public complaints and generate complaint statistics in a more efficient manner.

(8) Consumer Protection

83. Spearheaded by the OFCA, the Communications Association of Hong Kong (CAHK) issued in January 2010 a voluntary code for the provision of chargeable mobile content services (MCS) with an aim to safeguard consumer interests and improve the transparency of the charging information of MCS provided by third party content services providers. An Administrative Agency (AA) was set up in March 2010 by CAHK to implement an industry self-regulatory scheme in accordance with the code. The OFCA Trading Fund sponsors the operation of the AA and monitors the performance and the governance of the scheme. Since 2011, the number of complaints in relation to MCS has been dropping, and kept low at an average of less than five cases per month. We will continue to monitor the effectiveness of the self-regulatory scheme through collaboration with CAHK.

84. Fair usage policies (FUP) are implemented by fixed and mobile broadband service providers to ensure that their customers have a fair opportunity to access their services. The CA promulgated a set of guidelines which took effect in February 2012 for all fixed and mobile broadband service providers to follow on a mandatory basis. The guidelines govern how service providers should implement FUP in a transparent manner in order to facilitate better informed consumer choices. The number of complaints related to FUP has been decreasing since the implementation of the guidelines. We will continue to monitor the market developments and the compliance of the guidelines by broadband service providers.

85. To address the rising number of complaints relating to mobile bill shock, we formulated in May 2010 and urged mobile operators to adopt a series of preventive measures, including allowing customers to opt out of individual services; setting a charge ceiling; setting a usage cap for all kinds of usage-based mobile services; alerting customers through short messages when their pre-determined usage threshold is reached or when their roaming data usage is

triggered. To increase the transparency of service information and to enhance consumer awareness of mobile data usage, we have since August 2010 published on our website the measures adopted by individual operators and provided updates on a regular basis. With the implementation of the measures by the operators and our publicity programmes, the number of complaints in relation to monetary disputes on mobile bills has been decreasing.

86. To allow consumers to make informed choices of mobile broadband services, mobile operators have published their performance pledges since September 2010. The performance pledges indicate the normal service quality level of the concerned mobile operators and cover aspects such as network reliability, service restoration time, customer hotline performance, customer complaint handling and technical performance. Mobile operators have also published the actual performance statistics against the pledges as from January 2011. The performance pledges and statistics are available on the respective websites of the mobile operators and via hyperlinks on our website. We will keep monitoring the performance of mobile operators.

87. To help reduce billing disputes of telecommunications services as well as to improve the transparency of the chargeable items in the bills, in October 2011, we issued a code of practice on billing information about telecommunications services, setting out the general types and requirements of billing information which should be provided in the bills issued by service providers to their customers. As of October 2013, seven local fixed and five mobile operators have pledged compliance to the code of practice. We have published on our website a consumer alert and will keep in view the compliance situation.

(9) Human Resources Management

88. An external consultant was commissioned for the review of the Telecommunications Engineer (TE) grade in December 2012 with a view to determining whether the functions of the grade should be subsumed under the RAM grade and the incidental manpower arrangement in the longer term. The review was completed in June 2013. We will take forward the non-subsuming option by maintaining a cadre of TE grade posts in the OFCA to assume the technical regulatory duties which require in-depth engineering knowledge. We will also review the existing staff appraisal forms of the TE grade.

89. We will continue to promote a learning culture in the office and provide training opportunities for staff at all levels to enhance their professional and managerial competencies and to keep pace with the advent of new technologies. We will also arrange overseas management programmes and explore opportunities for staff attachment to policy bureaux, overseas

regulatory authorities and the relevant authorities in the Mainland to broaden the horizon of our staff and prepare them for greater challenges.

90. We will recruit staff at the Entertainment Standards Control Officer (ESCO) rank with expertise and professional skills in the fields of broadcasting, creative media, film, auditing, taxation and financial control/financial management for supporting the core business of the Broadcasting Branch.

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