

Progress of the Implementation of the Subsidy Schemes to Extend Fibre-based Networks to Villages and 5G Coverage in Rural and Remote Areas

Telecommunications Regulatory
Affairs Advisory Committee

11 August 2026





Subsidy Scheme to Extend Fibre-based Networks to Villages in Remote Areas

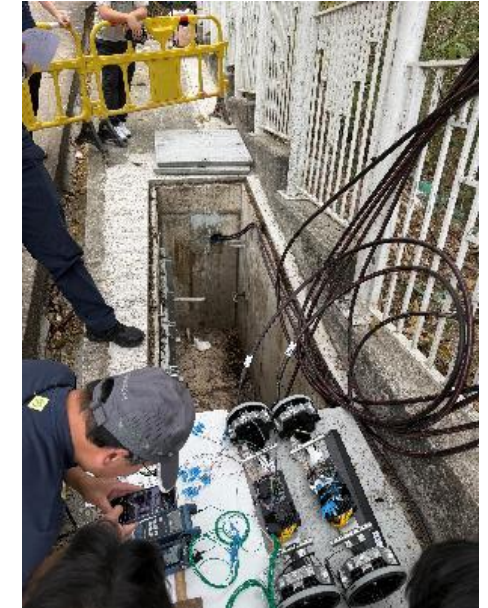
Scope of the Scheme

- Launched in 2018
- Provided subsidies to fixed network operators (“FNOs”) to extend fibre-based networks to villages in remote areas where villagers could then only subscribe to broadband services delivered over copper-based networks at a speed of 10 Mbps or below
- Covered **235 villages** across **nine** districts in the New Territories and outlying islands (namely North, Sai Kung, Tai Po, Sha Tin, Yuen Long, Tuen Mun, Tsuen Wan, Kwai Tsing and Islands), benefitting approximately 110,000 villagers in total



Progress of Network Roll-out

- Completed rollout of fibre-based networks for 233 villages (99%)
- Completed three submarine cables connecting Lamma Island, Cheung Chau and Peng Chau in May 2023
- Network rollout works for the remaining two villages are expected to be completed by end August 2026
- For three out of the five completed Projects, other FNOs have reached agreements with the selected FNOs to share use the capacity of the subsidised network facilities for free
- The selected FNOs have made use of the subsidised fibre-based networks to provide fibre backhaul connections to radio base stations (“RBS”)



Benefits of the Scheme (1)

FTTH Coverage

- Of the 233 villages with completion of fibre-based network roll-out, in-village fibre-based networks have been established for 227 villages (97%) supporting FTTH broadband services



Coverage to Outlying Islands

- After the deployment of the three submarine cables and extension of fibre networks to Cheung Chau, Lamma Islands and Peng Chau, the capacity and reliability of the fixed and mobile broadband networks have improved significantly



Benefits of the Scheme (2)

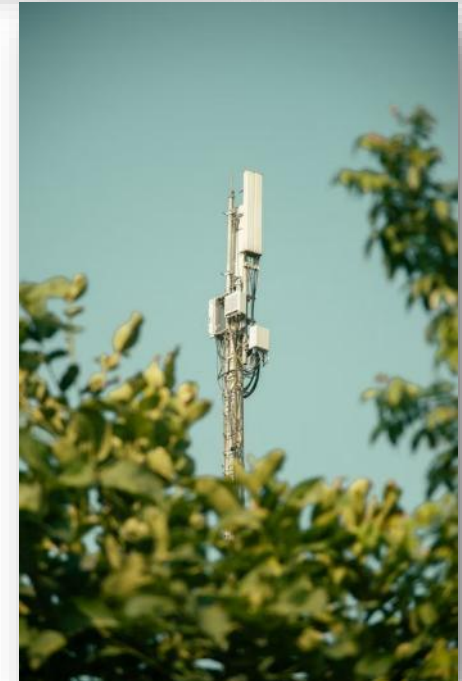
Free Public Wi-Fi

- Wi-Fi hotspots have been installed at common area of 203 villages for provision of free Wi-Fi services
- Benefitting villagers and visitors to the countryside



Supporting 5G Deployment

- Enhanced the coverage of fibre-based networks in remote areas, providing the infrastructure necessary for the deployment of 5G mobile service



Benefits of the Scheme (3)

Facilitating e-Payment

- With availability of FTTH broadband services, merchants in remote areas can make use of online transactions



Facilitating e-learning

- Improved broadband services can support flexible online interactive teaching for schools in remote areas.
- Teachers can incorporate online games and interactive activities into their lessons





Subsidy Scheme to Extend 5G Coverage in Rural and Remote Areas

Scope of the Scheme

- Launched in July 2025
- Provide subsidies to MNOs to enhance mobile network coverage and capacity in country parks, remote villages and major government hiking trails for better quality of life and safety of rural activities
- Target to install new RBS in about **50** locations in country parks, outlying islands and other rural and remote areas across **ten** districts in Hong Kong, including North, Sai Kung, Tai Po, Sha Tin, Yuen Long, Tuen Mun, Tsuen Wan, Southern, Eastern and Islands Districts



Implementation Arrangement

Application Submission

- All licensed MNOs are eligible to submit application
- Shall adhere to the “shared-use principle” by allowing other MNOs to install their mobile network facilities at the sites



Subsidy Amount

- Subsidy amount for each RBS project capped at HK\$2M
- An additional subsidy of not more than HK\$2M will be provided for RBS projects involving more complex works (i.e. a total cap of HK\$4M)
- Subsidy will be provided on a reimbursement basis



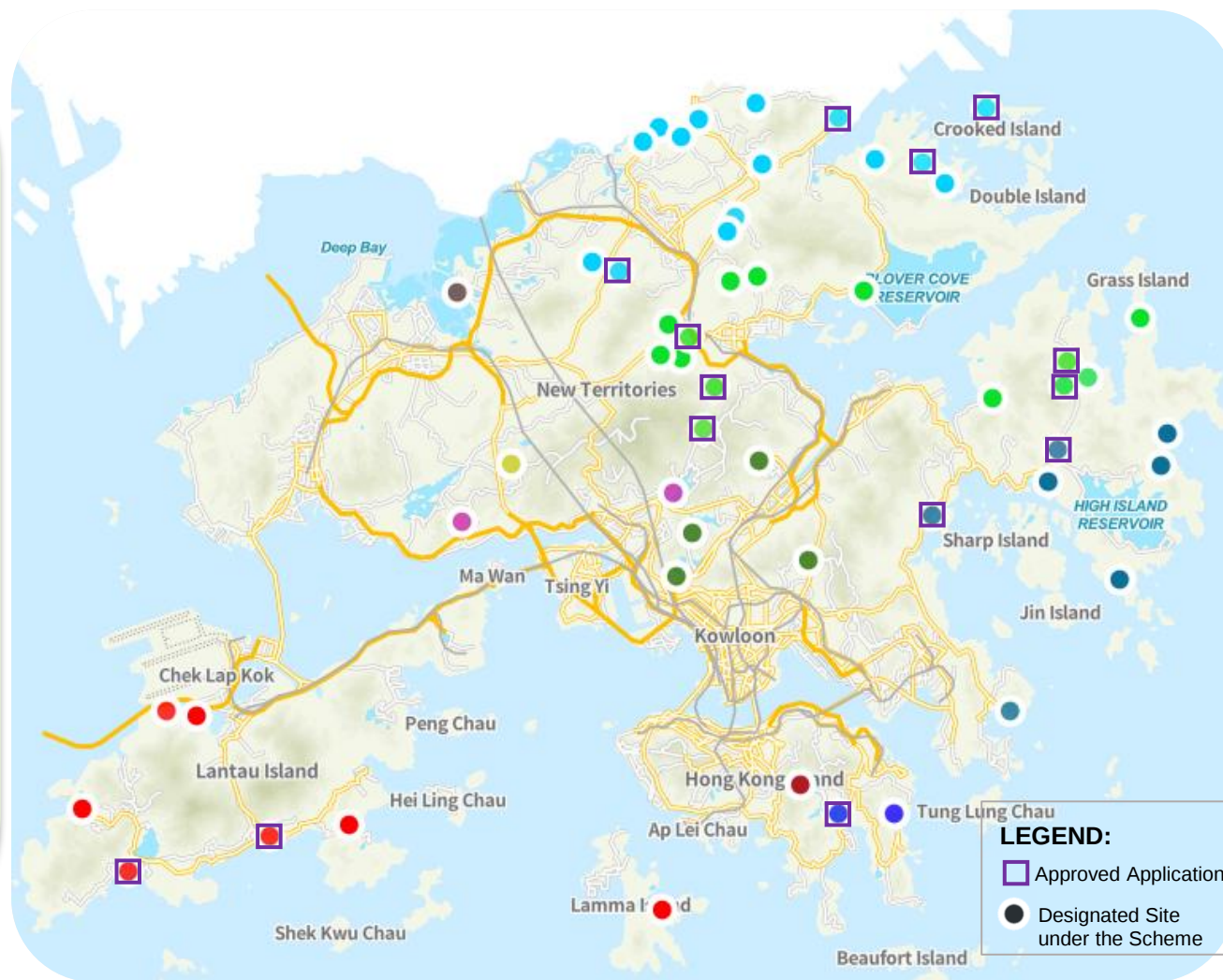
Technical Requirements

- 5G (or more advanced communications technologies) services
- A minimum average download speed of no less than 100Mbps



Progress of Implementation

- 14 applications have been approved
- Covering RBS projects at sites in five districts including –
 - Tai Po District (five projects)
 - North District (four projects)
 - Sai Kung District (two projects)
 - Island District (two projects)
 - Southern District (one project)
- RBS in two of the approved applications (located in Sha Tau Kok and Tai Tam) ready in Q3 2026



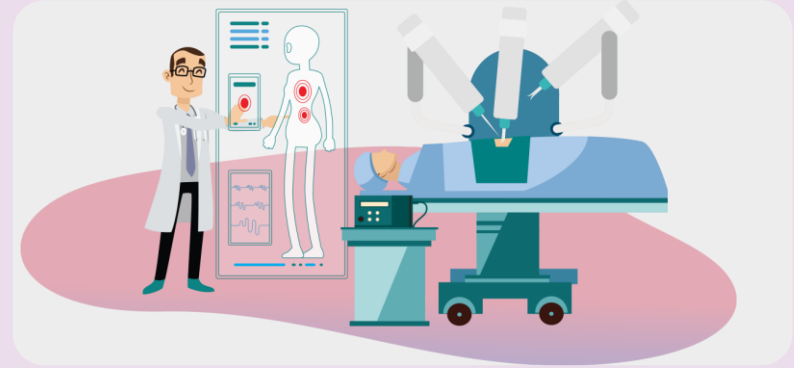
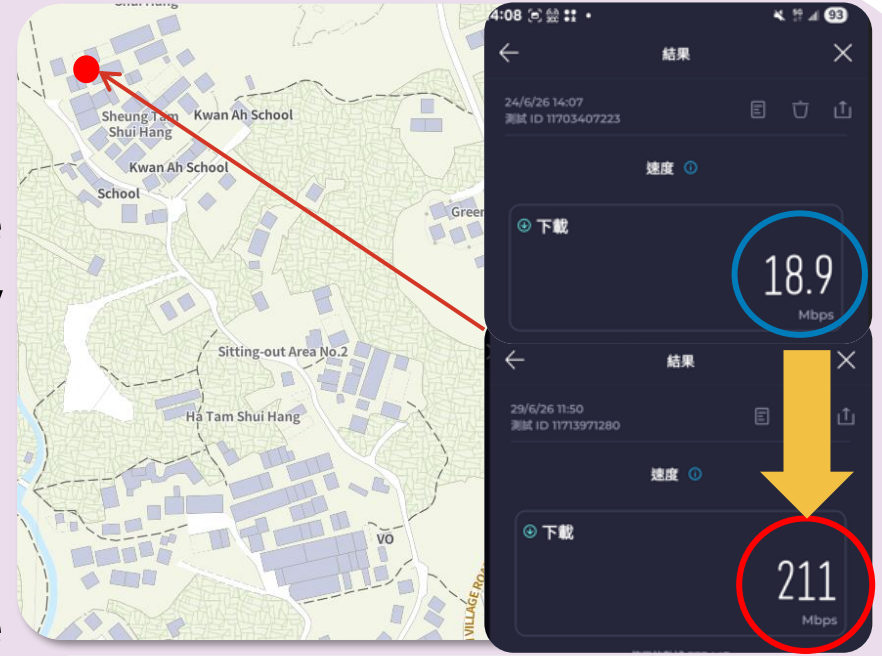
Benefits of the Scheme (1)

- RBS in Sha Tau Kok has been brought into operation in July 2026, providing services to the public
- Key Improvements
 - **Coverage and Capacity:** Supported mobile services up to approximately 950m away from the RBS covering numerous popular tourist destinations and significantly increased network capacity by deploying multiple frequency bands
 - **Data Speed Improvement:** At different locations covered by the RBS, download speed increased significantly from less than 20 Mbps to around 200 Mbps or above



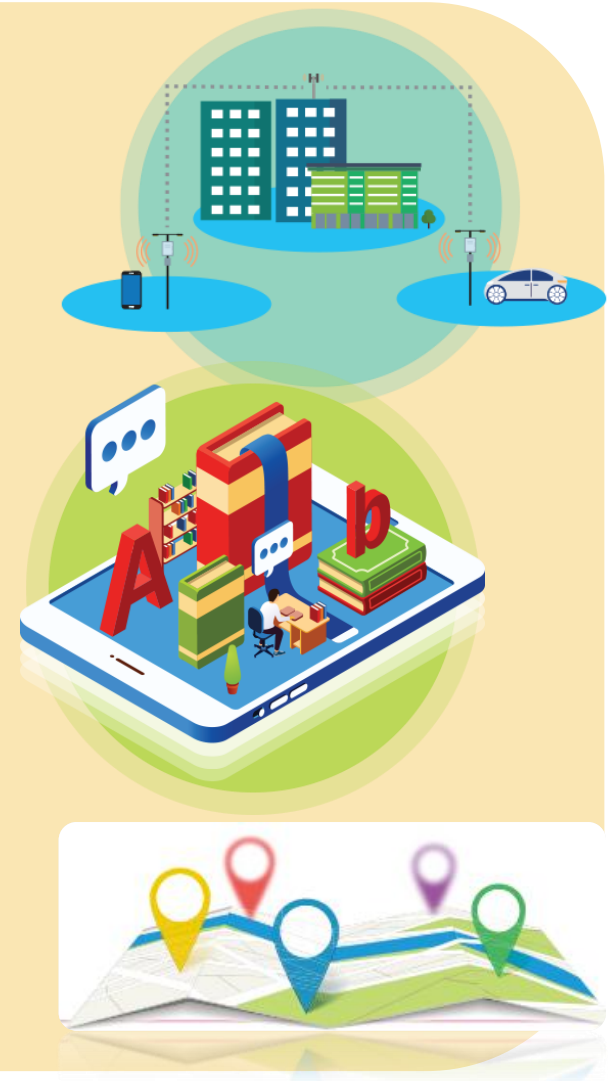
Benefits of the Scheme (2)

- Benefits to the villagers
- **Rural Connectivity:** Enhanced mobile coverage and download speed in the nearby villages
 - Before : ~20 Mbps
 - After : ~200 Mbps
- **Telehealth Services:** Improved mobile connectivity -
 - enables suitable patients in remote villages to receive consultations through mobile applications
 - enhancing convenience to villagers, particularly the elderly and mobility-impaired individuals



Benefits of the Scheme (3)

- Benefits to the tourists
 - **Tourism Development:** Tourists to the area can stay connected, enhancing their safety as well as opening up new possibility like live streaming, vlogging, etc
 - **Smart Tourism:**
 - Possible dissemination of comprehensive and up-to-date travel information to tourists
 - Possible use of mobile applications to enhance visitors' interaction and engagement (e.g. interactive mobile app games, augmented reality (AR) photos, etc.)



Way Forward

- OFCA will maintain close liaison with MNOs for timely submission of additional applications under the Scheme
- OFCA will monitor the implementation progress and provide necessary coordination to facilitate completion of installation work as early as possible
- It is expected that about 50 new RBS under the Scheme will be brought into operation progressively by end 2029





Thank you