

**Telecommunications Users and Consumers Advisory Committee (TUCAC)**  
**Minutes of the 3<sup>rd</sup> Meeting held at 3:00 p.m.**  
**on 14 March 2013 (Thursday) in Conference Room,**  
**Office of the Communications Authority (“OFCA”),**  
**29/F Wu Chung House, Wan Chai**

**Present:**

Mr. Y K HA (Chairman)	Deputy Director-General (Telecommunications), OFCA
Ms. Edith HUI	Representative of Hong Kong General Chamber of Commerce
Mr. T K HO	Representative of Office of the Government Chief Information Officer
Mr. Michael LUI	Representative of Education Bureau
Mr. Thomas SUN	Member of the public
Ms. Florence MAN	Member of the public
Mr. C B WONG	Member of the public
Ms. Pauline YUNG	Member of the public
Ms. Jamay WONG (Secretary)	OFCA

**In attendance:**

Mr. Esmond CHIU	OFCA
Mr. Isaac IP	OFCA
Miss Edith YAU	OFCA

**Absent with apologies:**

Mr. Alfred FUNG	Representative of Consumer Council
Mr. Francis FONG	Representative of Hong Kong Information Technology Federation (HKITF)
Mr. Ricky CHONG	Representative of Communications Association of Hong Kong (CAHK)
Ms. Leona WONG	Representative of Hong Kong Wireless Technology Industry Association (HKWTIA)
Mr. Eric YEUNG	Representative of small and medium enterprises
Ms. Irene LEUNG	Representative of the aged community
Mr. H F YUEN	Representative of the disabled
Mr. Ben YU	Representative of the disabled
Mr. K W MA	Member appointed on an ad personam basis
Mr. Kenny CHIU	Member appointed on an ad personam basis
Ms. Elsa CHENG	Member of the public
Mr. Francis NGAI	Member of the public
Ms. Eva WONG	Member of the public
Ms. Cindy CHAN	Member of the public
Ms. Martha LEUNG	Member of the public
Ms. Agnes CHAN	Member of the public

## **I. Opening Remarks**

1. The Secretary had not received any proposed amendment to the draft minutes of the 2<sup>nd</sup> meeting from the members and no amendment was proposed by the members in the meeting. The Chairman announced that the minutes of the 2<sup>nd</sup> meeting were confirmed.

## **II. Public Consultation on Draft Enforcement Guidelines for the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012**

2. Mr. Esmond CHIU briefed members on the public consultation on the draft enforcement guidelines for the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012, including major amendments to the Ordinance, the enforcement mechanism, transitional arrangements and the content of public consultation on the draft enforcement guidelines. Examples of the newly specified unfair trade practices were also enumerated. Related information is in Annex 1 (TUCAC Paper No. 1/2013).

3. Mr. Esmond CHIU added that persons specified in Schedule 3 of the amended Trade Descriptions Ordinance (“Amendment Ordinance”) could be exempted (except for the provision on false trade descriptions of goods under section 7 of the Amendment Ordinance), such as licensed real estate agents whose commercial practices were being regulated by other existing ordinances or rules. In addition, according to Schedule 4 of the Amendment Ordinance, certain kinds of goods and services were also exempted, including such financial products as banking and insurance services; and real estate was not classified as goods as defined under the Amendment Ordinance, therefore property dealings were not subject to the regulation of the Amendment Ordinance either.

4. The Chairman said that in short, the commercial practices of the finance and real estate industries as well as some professionals (such as doctors and accountants) were currently regulated by other ordinances, they were therefore not within the jurisdiction of the Amendment Ordinance.

5. Mr. C B WONG said that the Customs and Excise Department as an enforcement agency could enter a shop for seizure or detention of goods. He would like to know how the Communications Authority (“CA”) would deal with reports of cases if it received any.

6. Mr. Esmond CHIU explained that concurrent jurisdiction was conferred upon the CA

under the Amendment Ordinance for handling cases of unfair trade practices involved in the provision of telecommunications or broadcasting services by the telecommunications or broadcasting service licensees. If consumers encountered unfair trade practices related to telecommunications or broadcasting service operators, they could report the case to the CA. If an operator was suspected of engaging in aggressive commercial practices, such as its salespeople's entering a residential building to carry out promotion without permission, consumers could contact the security personnel of their building for assistance; if they thought they were disturbed, they might consider calling the police. As per the experience we currently have in dealing with complaints about misleading or deceptive conduct under section 7M of the Telecommunications Ordinance, very few cases required the Office of the Communications Authority ("OFCA") to send staff to the site concerned to attend to the case. Members of the public were recommended to collect and keep as much as possible the relevant information when they encountered unfair trade practices so as to facilitate OFCA to commence investigation into the case.

7. Mr. Thomas SUN followed up to enquire how the CA would handle cases of aggressive commercial practices which had been reported to the police.

8. Mr. Esmond CHIU responded that consumers could provide relevant information of the case to OFCA, which would then study such information in detail and make enquiries to the operator concerned when necessary to obtain from them information about the case. In addition, if we received a large number of similar complaints, we would send our staff to conduct site inspection of the situation when necessary and make enquiries to other relevant persons and companies. This would allow us to analyse and study the case with the information collected from different parties and to take appropriate follow-up actions. As the telecommunications and broadcasting service operators were all well-established companies, we believed that they would assist OFCA to follow up and investigate the cases in a cooperative manner.

9. Ms. Florence MAN said given that the Amendment Ordinance would come into effect on a certain day, she gave the following two examples to enquire whether consumers could invoke the Amendment Ordinance to report a case to the CA:

- (1) A consumer had entered into a pay television service contract with a broadcasting service operator before the Amendment Ordinance took effect. The content of the contract covered the provision of television channel A. However, the operator suddenly stopped the provision of television channel A during the contract

period, while the service contract concerned had not yet expired and the Amendment Ordinance was already in force.

- (2) A telecommunications service operator provided free-trial service B to a consumer before the Amendment Ordinance took effect. The contract terms and conditions specified that the consumer was required to notify the operator to terminate the service before the expiry of the trial period if the consumer did not want to continue using service B, otherwise the operator would charge the consumer service fees after the trial period. However, the consumer had forgotten to terminate the service at the expiry of the trial period and was charged a fee by the operator, while at that time the Amendment Ordinance was already in force.

10. Mr. Esmond CHIU responded that if the unfair trade practices were engaged in before the Amendment Ordinance took effect, then the Ordinance could not be invoked. In Example (1) given by Ms. Florence MAN, the consumer had signed the contract before the Ordinance came into effect, but the contract period spanned over the effective date of the Ordinance. As such, the CA could investigate the case according to either the provision on misleading and deceptive conduct under section 7M of the Telecommunications Ordinance or the Amendment Ordinance. The CA would decide on the specific approach to take for a case subject to its actual circumstances, and would seek legal advice on individual cases where necessary. As for Example (2), it would be necessary to consider whether the consumer was clearly informed of the trial and service termination arrangements. If the operator had already informed the customer of the relevant arrangements and did not conceal any information from the customer, then the situation might not have involved any contravention of the Ordinance. On the contrary, if the operator intentionally concealed such arrangements, it might have breached the Ordinance and the CA would conduct an investigation.

11. The Chairman said that the Industry Code of Practice for Telecommunications Service Contracts (“Industry Code”) issued by the Communications Association of Hong Kong had covered issues related to trial services. As specified in the Industry Code, a customer shall have the choice whether to accept and use a free-trial service. Where the free-trial service may become chargeable after the free-trial period expires, the operator shall explain to the customer any arrangements for opting out and it must not put the customer to inconvenience or involve their incurring any cost in respect to exercising the opt-out request.

12. Ms. Florence MAN enquired on which party the burden of proof should rest when the

Amendment Ordinance was to be invoked.

13. Mr. Esmond CHIU responded that since the unfair trade practices specified under the Amendment Ordinance were criminal offences, the enforcement agency would carry out criminal investigation into the case and the burden of proof would rest on the enforcement agency.

14. The Chairman indicated that the main difference between the Amendment Ordinance and section 7M of the Telecommunications Ordinance was that the offences specified in the Amendment Ordinance were criminal in nature, so suspects could remain silent and the enforcement agency was responsible for evidence collection and shouldering the burden of proof.

15. Mr. Michael LUI made an enquiry in relation to Example 6 listed in Annex 1, i.e., if the broadband service speed that the operator had undertaken to provide significantly differed from the actual speed in use, the operator might have committed the offence of wrongly accepting payment. However, what was meant by a significant difference? How could a consumer know whether the service provided by the operator was significantly different from the service he enjoyed?

16. Mr. Esmond CHIU said that the Amendment Ordinance had adopted a forward-looking approach and the provisions of the relevant offences were established in general terms, thus there would not be concrete indicators to define the meaning of a significant difference regarding the provision of wrongly accepting payment. Like other investigations of the same type, our investigation would apply the legal principle of a reasonable person test, i.e., whether a normal average person would be aggrieved by the incident under reasonable circumstances. With the increase of cases in the future, the industry and consumers would have a better understanding of the application of the relevant provisions.

17. Ms. Edith HUI enquired about the relationship between wrongly accepting payment in the Amendment Ordinance and the Customer Complaint Settlement Scheme (“CCSS”), and whether cases not accepted under the Ordinance would be handled by the CCSS.

18. The Chairman said that the nature of the Amendment Ordinance was different from that of the CCSS, and they were to deal with different consumer issues. If the case was purely a billing dispute between a telecommunications service operator and a customer, the customer might consider having the case handled through the CCSS. However, if the case

involved unfair trade practices and might constitute a breach of the Amendment Ordinance, an investigation would be conducted pursuant to the Amendment Ordinance.

### **III. Fibre-based Access Networks and Related Issues**

19. Mr. Isaac IP explained to members the issues related to fibre-based access networks, including access to buildings, the relevant legislation and work of OFCA, the Voluntary Registration Scheme for Buildings with Optical Fibre Access Networks (“the Scheme”), as well as the results of the first phase of the Scheme and the implementation of the second phase. Related information is in Annex 2 (TUCAC Paper No. 2/2013).

20. Mr. C B WONG said that the building he lived in had the “Fibre-to-the-Building” (“FTTB”) network. He had received operators’ promotion of 30M and 100M broadband services, and the operators said they could have the cables separately installed in his home for provision of the said service. Mr. C B WONG would like to know the difference between the above arrangement and “Fibre-to-the-Home” (“FTTH”).

21. Mr. Isaac IP said that the difference between FTTB and FTTH was whether the optical fibre was directly connected to a subscriber’s home. If so, that would be FTTH. With regard to the situation Mr. C B WONG described, it would depend on whether the line separately connected to his home by the operator was optical fibre or copper cable. If the operator could successfully connect optical fibre to any of the households in a building, the building concerned would be regarded as FTTH. Mr. Isaac IP further pointed out that as the Scheme was voluntary in nature, OFCA encouraged operators to provide it with information to update the record of the Scheme. In addition, OFCA would also update the record of the Scheme upon verifying the connection status of optical fibre network as per information provided by property management offices, building owners’ corporations or homeowners. OFCA would also make regular enquiries to operators about the updated information of optical fibre network connection.

22. Mr. T K HO said that currently residents of some buildings wanted to enjoy optical fibre services, but operators seemed reluctant to connect optical fibre for the provision of such services. He would like to know if there would be any solutions under such circumstances.

23. Mr. Isaac IP indicated that in fact individual operators wished to expand their optical

fibre networks, and OFCA from time to time received requests from operators for assistance with access to buildings for installation of optical fibre networks.

24. The Chairman said that given the vigorous competition in the broadband service market currently, he believed operators would be willing to continue investing in their networks in order to acquire more customers.

25. Ms. Florence MAN agreed with Mr. T K HO that some operators refused to install optical fibre networks in certain locations. Ms. Florence MAN believed some operators would not install optical fibre networks in low-density residential districts due to the high costs. In addition, Ms. Florence MAN also showed her understanding for owners of some old buildings who might not agree with the installation of optical fibre lines by operators for safety or liability reasons.

26. Mr. Isaac IP responded that operators would consider the installation of optical fibre networks according to their business strategies. OFCA was aware that individual operators were willing to provide service in some low-density residential buildings. Members of the public might seek assistance from OFCA if they had any questions related to the issue.

#### **IV. Any Other Business**

##### Report on Consumer Complaints

27. The Secretary reported that the CA had received 1 471 cases of consumer complaints in the 4<sup>th</sup> Quarter of 2012, which was slightly higher than the number of cases received in the 3<sup>rd</sup> Quarter. Among these complaints, 1 448 cases (98.4%) were outside the CA's jurisdiction. Most of these complaints involved disputes over billing/contracts/service termination, dissatisfaction with customer services and dissatisfaction with the quality of mobile communications/fixed network/broadband services. The remaining 23 cases (1.6%) were related to the possible breach of the Telecommunications Ordinance or licence conditions, including complaints about alleged misleading or deceptive sales conduct, access by operators to public areas of buildings for the installation of telecommunications/broadcasting equipment and networks, and alleged anti-competitive practices of service operators, etc. One case was confirmed to be in breach of the Telecommunications Ordinance/licence conditions in the 4<sup>th</sup> Quarter of 2012. The operator concerned was convicted of contravening section 7M of the Telecommunications Ordinance and was subject to a financial penalty of HK\$80,000 by the CA. The relevant investigation report has been published on the CA's website. The latest consumer complaint statistics are

in Annex 3.

**V. Date of Next Meeting**

28. The Secretary informed the members that the next meeting would be held on 18 July 2013 at the same time and venue.

29. There being no other business, the meeting was adjourned at 5:15 p.m.



# **Draft Enforcement Guidelines for the Trade Descriptions (Unfair Trade Practices) (Amendment) Ordinance 2012**

## **Public Consultation**

14 March 2013

# Implementation of the Amended TDO

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- The amended Trade Descriptions Ordinance (Cap. 362) (“Amended TDO”) will come into operation in 2013.
- New prohibitions on false trade descriptions related to “service” and specified unfair trade practices, and civil enforcement mechanism are introduced to protect consumers more effectively.
- Customs and Excise Department (“C&ED”) is the principal agency to enforce the Amended TDO.
- Concurrent jurisdiction is conferred on the Communications Authority (“CA”) to enforce the fair trading sections in relation to the commercial practices of licensees under the Telecommunications Ordinance (Cap. 106) (“TO”) and the Broadcasting Ordinance (Cap. 562) (“BO”) that are directly connected with the provision of a telecommunications or broadcasting service under the relevant Ordinances.

# Major Amendments to the TDO

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- Extending coverage of “False Trade Description”
  - To extend the coverage of “False Trade Description” to “services”
- Creation of new offences on specified unfair trade practices
  - Misleading omissions
  - Aggressive commercial practices
  - Bait advertising
  - Bait and switch
  - Wrongly accepting payment

# False Trade Description

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- “False trade description” means a trade description which is false to a material degree; or which, though not false, is misleading.
- A trader is prohibited under the TDO :
  - to apply a false trade description to a service supplied or offered to be supplied to a consumer; or
  - to supply or offer to supply to a consumer a service to which a false trade description is applied.

## Misleading Omissions

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- Any commercial practice of a trader should not :
  - omit or hide material information;
  - provide material information in a manner that is unclear, unintelligible, ambiguous or untimely; or
  - fail to identify its commercial intent unless this is already apparent from the context;
  - as a result it causes, or is likely to cause, the average consumer to make a transactional decision that he would not have made otherwise.

# Aggressive Commercial Practices

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- A trader must not use harassment, coercion, or undue influence :
  - to impair or likely significantly impair the average consumer's freedom of choice,
  - thereby causing or likely to cause the consumer to make a transactional decision that the consumer would not have made otherwise.
- Not covered under section 7M of the TO

## Bait Advertising

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- A trader must not advertise his/her products for supply at a specified price if :
  - there is no reasonable ground for believing that the trader will be able to offer the product at that price for a period that is, and in quantities that are, reasonable; or
  - the trader fails to offer those products for supply at that price for a period that is, and in quantities that are, reasonable

# Bait and Switch

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- A trader must not make an invitation to purchase a product at a specified price with the intention of promoting a different product by :
  - refusing to show or demonstrate the product;
  - refusing to take orders for the product or deliver it within a reasonable time; or
  - showing or demonstrating a defective sample of the product

## Wrongly Accepting Payment

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- A trader must not accept any payment for a product if at the time of that acceptance :
  - the trader intends not to supply, or to supply a materially different product; or
  - there is no reasonable ground for believing that the trader will be able to supply the product within the period specified by the trader, or within a reasonable period

# Delineation of Responsibility between the CA and C&ED

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- The CA will enforce the Amended TDO in relation to the commercial practices of licensees under the TO and BO that are directly connected with the provision of a telecommunications or broadcasting service under the two Ordinances
- C&ED will take up all other cases in relation to unfair trade practices involving goods or services
- In case of any suspected unfair trade practices of licensees under the TO and BO involving “goods” or “goods and telecommunications/broadcasting services”, C&ED will take up these cases and the CA will provide necessary support



# Enforcement Mechanism

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- In addition to criminal sanctions, a civil compliance-based mechanism will be put in place to encourage compliance of the Amended TDO by traders
- **Undertaking**
  - As an alternative to prosecution, the Enforcement Agency is empowered to accept an undertaking from a trader, whom the Enforcement Agency believes has engaged, is engaging or is likely to engage, in conduct that constitutes an offence under the Amended TDO, not to continue or repeat the conduct, or conduct of a substantially similar kind
- **Injunction**
  - The Enforcement Agency may apply to court for an injunction to order a trader not to continue or repeat or engage in the contravening conduct



# Transitional Arrangements

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- Upon commencement of the Amended TDO, section 7M of the TO which prohibits misleading or deceptive conduct of telecommunications licensees will be repealed
- Misleading or deceptive conduct of a licensee that had been engaged in before the commencement of the Amended TDO will continue to be handled under section 7M of the TO

# Public Consultation on Draft Enforcement Guidelines

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- The Amended TDO stipulates that the CA jointly with the Commissioner of Customs and Excise may issue enforcement guidelines
- C&ED and the Office of the Communications Authority (“OFCA”) commenced the public consultation on the Draft Enforcement Guidelines from 7 December 2012
  - Comprising the “Compliance and Enforcement Policy Statement” and “General Guidelines”
  - Applicable to both “goods” and “services” that are regulated under the Amended TDO
  - The consultation period will end on 17 March 2013
- OFCA held a consultation session on 19 December 2012 for the telecommunications and broadcasting sectors and participated in other sessions for different industries, trade associations, District Councils and the general public in order to introduce the Draft Enforcement Guidelines.

# Contents of Draft Enforcement Guidelines

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- “Compliance and Enforcement Policy Statement”
  - Objectives
    - Enhance the transparency in enforcement
    - Promote compliance of the fair trading sections
  - Contents
    - Objectives and guiding principles of taking enforcement actions
    - Factors that the Enforcement Agency takes into account in prioritizing enforcement resources
    - Basic principles which guide the Enforcement Agency in the application of enforcement tools

# Contents of Draft Enforcement Guidelines (2)

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- “General Guidelines on the Fair Trading Sections of the TDO”
  - The General Guidelines serve as a guide as to when a conduct may constitute a contravention of the fair trading sections of the Amended TDO, with examples given as illustration.
  - They set out the manner in which the authorized officers exercise their powers in respect of the fair trading sections.
  - The General Guidelines themselves are neither legally binding nor are they subsidiary legislation.
  - A person does not incur any civil or criminal liability only because the person contravenes any part of the General Guidelines.

# Future Tasks

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- To finalize the Enforcement Guidelines to prepare for the commencement of the Amended TDO
- OFCA and C&ED will jointly organize publicity and education campaigns, including
  - TV Commercials
  - Designated website and leaflets for consumers
  - Roving exhibitions in shopping malls
  - Posters and banners
  - Seminars for consumers

# Thank you

# Example 1 – False Trade Description

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- A pay TV service provider promotes a 24-month sports channel package by claiming that it owns the exclusive right to broadcast live matches of the popular ABC football league for the 24-month duration.
- However, the pay TV service provider actually only holds the broadcasting right for one year and the ABC football league has not yet invited any interested parties to bid for the broadcasting right for the coming year.
- The pay TV service provider may commit an offence of applying a false trade description to a service.

## Example 2 – False Trade Description

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- In a newspaper advertisement, a telecommunications operator claims that its newly promoted service plan has the lowest price tag in Hong Kong by comparing the price of its plan with those offered by its competitors.
- However, the comparison is not made on a like-for-like basis in that the telecommunications operator has compared the service plans of the competitors which have material difference in service features (such as different contract durations), and such differences are not made known in the advertisement.
- The price comparison is likely considered to be a false trade description of service.



## Example 3 – Misleading Omissions

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- A mobile operator advertises an “unlimited mobile data plan” to the consumers. Nevertheless, the mobile operator does not mention that the unlimited mobile data plan is subject to a usage restriction, under which the download data rate of the service will be substantially limited if a certain usage threshold unilaterally set by the mobile operator is exceeded.
- The usage restriction is considered to be “material information” in the context of the mobile operator’s service promotion as this restriction is likely to be a piece of information that the average consumer needs in making his transactional decision.
- The omission of such material information is therefore likely considered to be a misleading omission.

## Example 4 – Misleading Omissions

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- In a telemarketing call made to a potential customer, an International Direct Dial (“IDD”) service provider promotes its IDD value plan by only informing the potential customer of the per minute usage charge for making IDD calls. The IDD service provider does not mention that it will also charge a fixed monthly fee upon customer’s subscription to the service.
- As fee charged is commonly recognized as a material information that the average consumer needs to make an informed transactional decision, the IDD service provider is likely to be considered as committing the offence of misleading omission.

## Example 5 – Aggressive Commercial Practices

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- Two salespersons from a pay TV service provider conduct unsolicited doorstep marketing of pay TV services. They knock on the door of a flat late at night. An elderly man, who is alone in the flat and is woken up by the door knocking, opens the door.
- The two salespersons quickly enter into the flat and start promoting the pay TV services to the elderly man. Although the elderly man indicates that he is not interested in the services, the salespersons refuse to leave and keep on pressing him to sign the contract.
- The conduct of the salespersons is likely considered to be an aggressive commercial practice.

## Example 6 – Wrongly Accepting Payment

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- An Internet service provider offers 100 Mbps and 10 Mbps broadband Internet access services to consumers in Hong Kong, but it does not have coverage of both types of services in every residential building.
- A consumer is attracted to the 100 Mbps service plan and calls the Internet service provider to make subscription to the 100 Mbps service. The telesales staff of the service provider receiving the call is aware that the consumer is residing in a building where only 10 Mbps broadband Internet access service can be provided to the residents. However, the telesales staff still secures a service contract with the customer for the provision of 100 Mbps service and accepts payment of the monthly fee from the consumer. In the end, the service provider provides 10 Mbps service to the consumer.
- The service provider is likely to have committed the offence of wrongly accepting payment as it does not have any intention to supply the 100 Mbps service, or only intends to supply a service that is materially different from the 100 Mbps service, at the time of accepting payment.

# **Telecommunications Users and Consumers Advisory Committee (TUCAC)**

## **Fibre Access Networks and Related Issues**

**14 March 2013**

# **Building Access**

- **Operators need to access the common parts of private buildings to install facilities for the provision of telecommunications and broadcasting services to the occupants of the buildings.**
- **Common parts include Telecommunications and Broadcasting Equipment Room, ducts, pipes, etc.**

# **Related Legislation and Our Work**

- In accordance with the Telecommunications Ordinance, CA may authorize operators to access to the common parts of private buildings to install telecommunications facilities.
- OFCA
  - Encourage operators to extend their networks and upgrade their systems in order to enhance the quality of services.
  - Issue Codes of Practice and Guidelines for operators.
  - Encourage building owners to allow more operators to install telecommunications facilities in their buildings for provision of services.
  - Assist building owners and operators to handle issues related with building access.



# **Development of Telecommunications Services**

- **Evolve from voice service to broadband data service**
- **As at Nov 2012**
  - **Over 226M fixed network broadband service subscribers**
  - **Broadband household penetration : 86%**
  - **Number of broadband networks available**
    - **74% of households under coverage of at least two networks**
    - **64% of households under coverage of at least three networks**
- **According to the report issued in Dec 2011 by the Fibre-to-the-Home Council, Hong Kong ranked third in the world in the household penetration of Fibre-to-the-Home / Fibre-to-the-Building**
- **Network operators begin to adopt Next Generation Network (NGN) for the provision of more variety of telecommunications services**



# **The Challenge of Next Generation Network (NGN)**

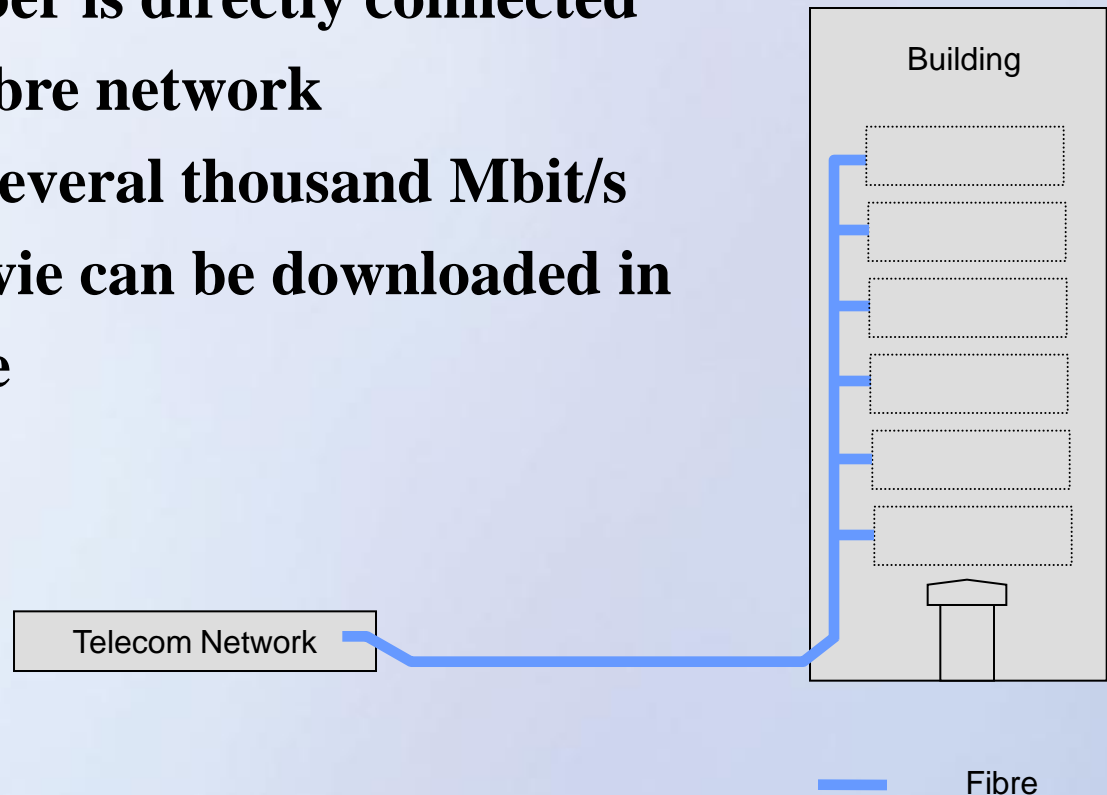
- **Contrary to the traditional telephone network, NGN is able to transmit voice, data and image information over an integrated platform for the provision of different services such as IP Telephony, IPTV and Internet access.**
- **In order to increase the transmission speed, NGN will usually use optical fibre in the access networks to buildings.**
- **With the expansion of their NGNs, the operators will have to install new facilities in buildings. The valuable resources within buildings e.g. common parts should be used effectively in order to meet the needs of different parties.**
- **OFCA introduced the Voluntary Registration Scheme for Buildings with Optical Fibre Access Networks to promote the development of optical fibre networks.**

# **Voluntary Registration Scheme for Buildings with Optical Fibre Access Networks**

- **Launched in 2010**
- **Aims**
  - **To promote the development of optical fibre networks**
  - **To provide information to members of the public about the optical fibre networks installed in individual buildings**

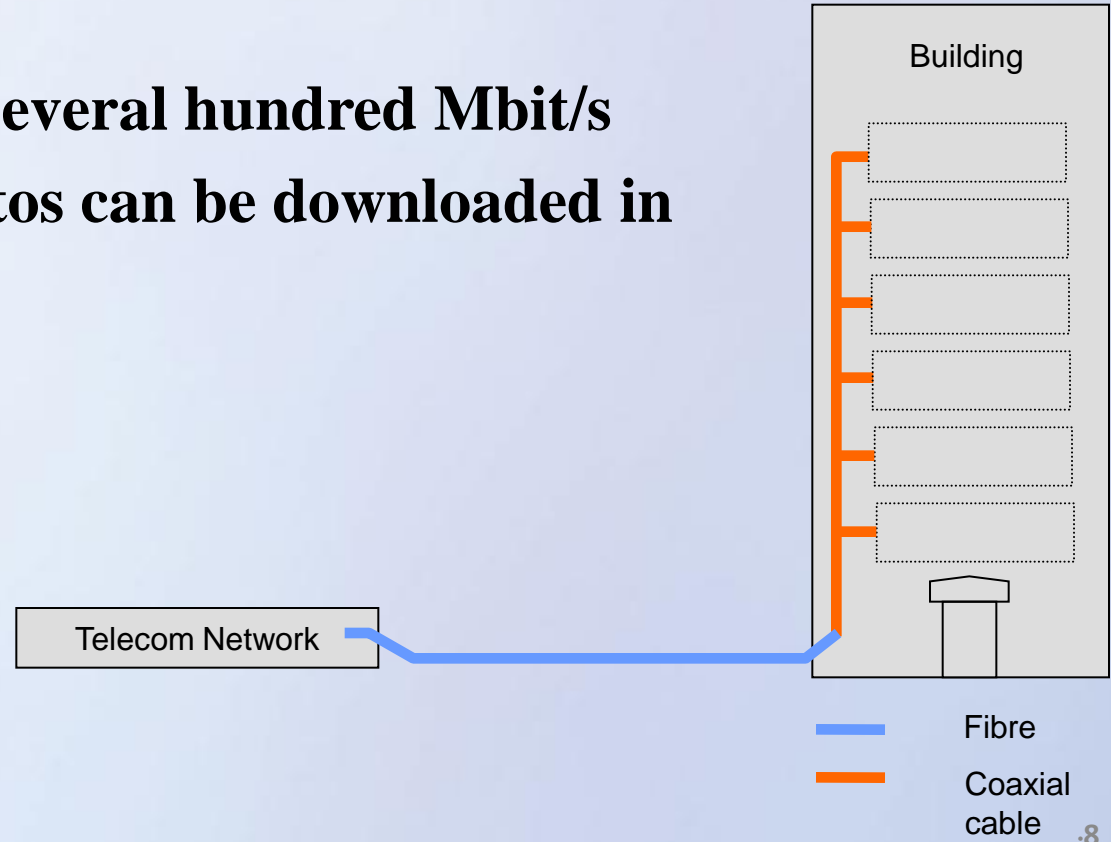
# **Classification of Buildings – Fibre-to-the-Home (FTTH)**

- **Optical fibre networks are installed inside buildings**
- **Individual subscriber is directly connected with the optical fibre network**
- **Data speed: up to several thousand Mbit/s**
- **A DVD quality movie can be downloaded in less than a minute**



# **Classification of Buildings – Fibre-to-the-Building (FTTB)**

- **Optical fibre networks are installed inside buildings**
- **Using copper wires to connect with an individual subscriber**
- **Data speed: up to several hundred Mbit/s**
- **Tens of digital photos can be downloaded in a minute**



# **The Labels**

- **Introduced FTTB Label and FTTH Label**
- **To raise public awareness of FTTB buildings and FTTH buildings**
- **The IO/BMO may display the appropriate FTTB Label or FTTH Label in a prominent position in the building**
- **The FTTB Label or FTTH Label may also be used in the printing materials in relation to the building**

# Label Design

## FTTH



## FTTB



# The Register

- **Register of Buildings with Fibre Access Networks**
  - OFCA established the register according to the information provided by network operators
  - Record the name and address of FTTH and FTTB buildings
  - Provide the number of optical fibre access networks in each registered building
- **On Line Enquiry**
  - Website <http://app1.ofca.gov.hk/apps/ubs/map.asp>
  - Searched by address or map



# An Example of Using the Register

## Databases for Broadcasting & Telecommunications Infrastructures

### Building Search

Telecom / Broadcasting Infrastructure:

All Services

### Building Details

Address HING ON MANSION, TAIKOO SHING, 5, TAI YUE AVENUE, EASTERN  
地址 東區太裕路5號太古城與安閣

### Service Details

**DTT Service**

**FTTB/H Service** **FTTH**

Building Class : **FTTH**

Number of FTTB Network(s) installed: 1  
Number of FTTH Network(s) installed: 2

**Remarks:**

- Building Class  
**FTTB** denotes **Fibre-to-the-Building ("FTTB") Building** where fibre network is installed and connected within the boundary of the building.
- FTTH** denotes **Fibre-to-the-Home ("FTTH") Building** where fibre network is installed and ready to be connected to individual subscriber's premises inside the building
- \* denotes building not yet registered under the Scheme. Fixed network operators and the incorporated owners / building management offices / owners ("IO/BMO") of the buildings are welcome to provide information to OFCA on the FTTB/FTTH status of the

**HING ON MANSION, TAIKOO SHING, 5, TAI YUE AVENUE, EASTERN**  
**東區太裕路5號太古城與安閣**

**DTT Service**  
DTT Coverage Estimate:

**FTTB/H Service**  
Building Class : **FTTH**

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# **Publicity**

- **May 2011 - FTTB Label and FTTH Label were distributed to IO/BMO. Labels could also be downloaded from OFCA website.**
- **July 2011 – an article about the Scheme was published in Headline Daily.**
- **December 2011 and January 2012 - two videos were broadcast on East Rail Line, West Rail Line and Ma On Shan Line as well as tvb.com. The two videos were also uploaded to OFCA website ([www.ofca.gov.hk](http://www.ofca.gov.hk)).**
- **As of February 2013, 19 briefing sessions attended by about 1,300 representatives of IO/BMO had been arranged.**

# **Achievements of First Stage of Registration Scheme & Implementation of Second Stage**

- **First Stage**
  - About 2,400 FTTB buildings and 11,100 FTTH buildings registered under the scheme as of Nov 2012
  - Participating Operators : Hong Kong Broadband Network Ltd, Hong Kong Cable Television Ltd, Hutchison Global Communications Ltd, New World Telecommunications Ltd, PCCW-HKT Telephone Ltd and Hong Kong Telecommunications (HKT) Ltd and Wharf T&T Ltd
- **Second Stage**
  - After consulting the Telecommunications Regulatory Affairs Advisory Committee, OFCA decided to extend the Scheme to cover non-residential buildings including commercial, industrial and government buildings in the near future

# THANK YOU

**The 3<sup>rd</sup> Meeting of the Telecommunications Users and Consumers Advisory Committee  
(14 March 2013)**

**CA's Latest Statistics on Consumer Complaints on Telecom Services  
(4<sup>th</sup> Quarter of 2012)**

Service Type	1st Q 2012		2nd Q 2012		3rd Q 2012		4th Q 2012		Number of Cases found to involve breach of the Telecommunications Ordinance / Licence Conditions after Investigation
	No. of Complaints Received	Number of Cases Outside the Scope of the Telecommunications Ordinance / Licence Conditions	No. of Complaints Received	Number of Cases Outside the Scope of the Telecommunications Ordinance / Licence Conditions	No. of Complaints Received	Number of Cases Outside the Scope of the Telecommunications Ordinance / Licence Conditions	No. of Complaints Received	Number of Cases Outside the Scope of the Telecommunications Ordinance / Licence Conditions	2012
Mobile	566	559	580	575	688	675	904	890	2
Fixed Network	186	171	197	185	187	176	165	159	0
Internet	382	379	389	382	463	456	356	354	0
External Telecommunications	20	20	28	28	20	19	19	19	1
Others	6	6	19	18	31	30	17	16	0
Unclassified	13	13	10	10	6	6	10	10	0
<b>Total</b>	1173	1148	1223	1198	1395	1362	1471	1448	3

Remarks: The aforesaid statistics on consumer complaints about telecom services do not include reports made by consumers in respect of the Unsolicited Electronic Messages Ordinance.

#### A. Analysis of Complaints in the 4<sup>th</sup> Quarter of 2012

##### Overview

- In the 4<sup>th</sup> Quarter of 2012, CA received 1471 consumer complaints, which showed a slight increase from the 3<sup>rd</sup> Quarter (1395 cases). The number of complaints about mobile communications recorded a noticeable increase while that about Internet services registered a significant decrease. Among the complaints in the 4<sup>th</sup> Quarter, 1448 complaints (98.4% of all consumer complaints) were outside CA's scope of jurisdiction as they did not involve any breach of the Telecommunications Ordinance ("TO") or licence conditions ("LC"). The majority of these complaints were concerned with disputes on bills / contract terms / service termination, dissatisfaction with customer service and dissatisfaction with the quality of mobile / fixed network / broadband services. The total number of these 3 types of complaints accounted for 87.7% (1270 cases) of the cases which did not involve any breach of the TO or LC. CA referred these cases to the operators, which would contact the complainants directly to resolve the issues.

##### Cases Involving Possible Breach of the TO or LC

- The remaining 23 cases (1.6%) of the consumer complaints in the 4<sup>th</sup> Quarter were related to possible breach of the TO or LC, i.e. which might be within CA's scope of jurisdiction. Among these 23 cases, 12 cases (52.2% of the possible breaches) were related to alleged misleading or deceptive sales conduct, with 10 cases concerning mobile services and 2 cases involving fixed network services. The remaining cases involving possible breach of the TO or LC included 5 cases related to access by operators to public areas of buildings for the installation of telecommunications / broadcasting equipment and networks, 3 cases related to allegation against suspected anti-competitive practice of service providers and 3 cases related to allegation against service providers of the discrepancy between the concessionary details in the service plans /

contractual arrangements and those stated in the promotional materials. CA would conduct investigation on possible breach of the TO or LC should there be sufficient *prima facie* evidence.

#### Mobile Services

- In the 4<sup>th</sup> Quarter of 2012, among all the consumer complaints received by CA (including cases not involving breach of the TO or LC), there were 904 complaints related to mobile services, accounting for 61.5% of all complaints. The number of cases and the complaint rate were substantially higher than those in the 3<sup>rd</sup> Quarter (688 cases, 49.3%). Disputes on bills / contract terms / service termination (397 cases), dissatisfaction with network service quality (231 cases) and dissatisfaction with customer service (177 cases) were the major types of complaints in the 4<sup>th</sup> Quarter. The total number of these cases was 805, making up 89% of the total consumer complaints received by CA involving mobile services. In the 4<sup>th</sup> Quarter of 2012, there were altogether 14 cases about mobile services involving possible breach of the TO or LC. Among these cases, 10 cases were related to alleged misleading or deceptive sales conduct, 3 cases were related to allegation against service providers of the discrepancy between the concessionary details in the service plans / contractual arrangements and those stated in the promotional materials, and 1 case related to allegation against suspected anti-competitive practice of a service provider.

#### Fixed Network Services

- In the 4<sup>th</sup> Quarter of 2012, the consumer complaints related to fixed network services accounted for 11.2% (165 cases) of the total number of consumer complaints received by CA. The complaint rate and the number of cases were slightly lower than those in the 3<sup>rd</sup> Quarter (13.4%, 187 cases). The three major types of complaints received in the 4<sup>th</sup> Quarter were related to dissatisfaction with customer service (70 cases), disputes on bills / contract terms / service termination (60 cases) and dissatisfaction with network service quality (15 cases), accounting for

87.9% (145 cases) of the total complaints received involving fixed network services. A total of 6 complaints about fixed network services involving possible breaches were lodged in this Quarter. Among these cases, 4 cases were related to access by service providers to public areas of buildings for the installation of telecommunications / broadcasting equipment and networks, and the remaining 2 cases were about alleged misleading or deceptive sales conduct.

#### Internet Services

- In the 4<sup>th</sup> Quarter of 2012, there were 356 cases of consumer complaints received by CA related to Internet services, accounting for 24.2% of the total number of complaints. The number of complaints and the complaint rate were substantially lower than those in the 3<sup>rd</sup> Quarter (463 cases, 33.2%). Among the complaints received concerning Internet services, the major types of complaints were related to disputes on bills / contract terms / service termination (145 cases), followed by dissatisfaction with Internet service quality (81 cases) and dissatisfaction with customer service (67 cases), totalling 293 cases or 82.3% of the total number of complaints related to Internet services. There were 2 cases involving possible breach of the TO or LC, which were related to allegation against suspected anti-competitive practice of Internet service providers.
- The figures in the columns of “Number of Cases Outside the Scope of the Telecommunications Ordinance / Licence Conditions” and “Number of Cases found to involve breach of the Telecommunications Ordinance / Licence Conditions after Investigation” of the above table do not include complaints under study / investigation.

#### B. Case Analysis of Breach of the Telecommunications Ordinance / Licence Conditions

- In the 4<sup>th</sup> Quarter of 2012, 1 case of breach of the Telecommunications Ordinance / licence conditions was established. It was related to

misleading or deceptive representations in the promotion of telecommunications services by the salespersons of an external telecommunications service provider. The service provider was found to have contravened Section 7M of the Telecommunications Ordinance. CA imposed a fine of \$80,000 on the external telecommunications service provider. The relevant investigation report has been published on CA's website.



Statistics on Consumer Complaints Received by CA

<b>Service Type</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Mobile	1754	3023	2302	2738
Fixed Network	909	812	801	735
Internet	1104	1561	1603	1590
External Telecommunications	123	112	89	87
Others	122	176	99	73
Unclassified	39	27	56	39
<b>Total</b>	<b>4051</b>	<b>5711</b>	<b>4950</b>	<b>5262</b>