

Telecommunications Users and Consumers Advisory Committee (TUCAC)
Minutes of the 6th Meeting held at 3:00 p.m.
on 15 May 2014 (Thursday) in Conference Room,
Office of the Communications Authority (“OFCA”),
29/F Wu Chung House, Wan Chai

Present:

Mr. Danny LAU (Chairman)	Deputy Director-General (Telecommunications), OFCA
Ms. Edith HUI	Representative of Hong Kong General Chamber of Commerce
Mr. K W MA	Member appointed on an ad personam basis
Mr. Alex YEUNG	Representative of Office of the Government Chief Information Officer
Mr. Ben YU	Representative of the disabled
Mr. Thomas SUN	Member of the public
Ms. Florence MAN	Member of the public
Ms. Pauline YUNG	Member of the public
Ms. Eva WONG	Member of the public
Ms. Agnes CHAN	Member of the public
Ms. Jamay WONG (Secretary)	OFCA

In attendance:

Mr. Warren Kwok	OFCA
Mr. Michael CHAN	OFCA
Miss Edith YAU	OFCA

Absent with apologies:

Ms. Enid LOW	Representative of Hong Kong Information Technology Federation (HKITF)
Ms. Leona WONG	Representative of Hong Kong Wireless Technology Industry Association (HKWTIA)
Mr. Alfred FUNG	Representative of Consumer Council
Mr. Ricky CHONG	Representative of Communications Association of Hong Kong (CAHK)
Ms. Irene LEUNG	Representative of the aged community
Mr. Eric YEUNG	Representative of small and medium enterprises
Mr. H F YUEN	Representative of the disabled
Mr. Michael LUI	Representative of Education Bureau
Ms. Elsa CHENG	Member of the public
Mr. C B WONG	Member of the public
Ms. Martha LEUNG	Member of the public
Ms. Cindy CHAN	Member of the public
Mr. Daniel LO	Member of the public
Mr. Kenny CHIU	Member appointed on an ad personam basis

I. Confirmation of the Minutes of the 5th Meeting

1. The Secretary had not received any proposed amendment to the draft minutes of the 5th meeting from the members and no amendment was proposed by the members in the meeting. The Chairman announced that the minutes of the 5th meeting were confirmed.

II. Advice for Users of Walkie-talkies

2. Mr. Warren Kwok briefed the members on the use of walkie-talkies in Hong Kong, including the licensed walkie-talkies under “Private Mobile Radio System Licence” and the licence free “409 MHz” and “Citizens Band” (“CB”) walkie-talkies. Mr. Kwok pointed out that a valid licence issued by the Communications Authority (“CA”) was required for the possession and use of radio apparatus except for radios covered by the Exemption Order. Possession or use of walkie-talkies without a licence was against the law. Mr. Kwok also introduced the assignment of Channel 9 on “409 MHz” and “CB” walkie-talkies as the exclusive emergency channel and the certification of walkie-talkies. Related information is at Annex 1 (TUCAC Paper No. 1/2014).

3. Mr. K W MA was concerned that some service organisations and social enterprises might use illegal walkie-talkies inadvertently. As far as he knew, many service organisations would rent walkie-talkies for use at large scale events. With the growing popularity of walkie-talkies and the decrease in price, some service organisations, social enterprises and schools started purchasing their own walkie-talkies. He suggested OFCA explained this agenda item to the Hong Kong Council of Social Service and Hong Kong General Chamber of Social Enterprises Limited so as to prevent members of these organisations and their targeted clients

from using illegal walkie-talkies inadvertently.

4. Ms. Florence MAN also said that walkie-talkies were widely used in many service industries such as catering, retail or even banking. She suggested OFCA provide information on this agenda item to the trade unions concerned so as to enable more users to understand how to avoid purchasing illegal walkie-talkies.

5. Ms. Pauline YUNG said that it was very common for local organisations to borrow walkie-talkies from other service organisations or institutions for use at events. She was in the opinion that OFCA should enhance educational efforts in this regard.

6. The Chairman thanked Mr. K W MA, Ms. Florence MAN and Ms. Pauline YUNG for their comments, and indicated that OFCA would consider enhancing public education on the use of walkie-talkies.

[Post-meeting note: The Secretary had referred the comments of Mr. K W MA, Ms. Florence MAN and Ms. Pauline YUNG to the Public Affairs (“PA”) Division of OFCA for reference in planning consumer education. Given that property management staff and security personnel of many estates or buildings used walkie-talkies for voice communication while on duty, the PA Division sent the leaflet “Using Walkie-talkies in Hong Kong” to all Owners' Corporations in Hong Kong in early July with a view to reminding them to purchase walkie-talkies that met the specified technical specifications and were approved for use in Hong Kong. We would also promote information about the use of walkie-talkies to the public at the roving exhibition held under the upcoming consumer education campaign.]

7. Ms. Pauline YUNG enquired whether call centres of vans were using 409 MHz or CB walkie-talkies.

8. The Chairman responded that call centres of vans could use the abovementioned walkie-talkies. However, as 409 MHz channel was a shared channel, van companies usually would apply “Private Mobile Radio System Licences” from OFCA. CA would assign exclusive channels to the licensees.

III. The Development and Regulatory Issues of Broadcast-type Mobile Television Service

9. Mr. Michael CHAN briefed the members on the development and regulatory issues of broadcast-type mobile television service (“mobile TV service”), including the overseas development of mobile TV services, the development of the related transmission standards, policy framework for the regulation of mobile TV service in Hong Kong, radio spectrum auction in 2010, the Unified Carrier Licence (“UCL”) issued under the Telecommunications Ordinance (“TO”) for provision of mobile TV service and the licensing and regulatory requirements under the Broadcasting Ordinance (“BO”), etc. Related information is at Annex 2 (TUCAC Paper No. 2/2014).

10. Mr. Thomas SUN enquired that if Hong Kong Mobile Television Network Limited (“HKMTV”) allowed users to watch its television programmes by connecting their mobile devices to TV sets, whether or not HKMTV was in compliance with its UCL, and whether such an act would trigger the licensing requirement under the BO.

11. The Chairman responded that if the television programme service was received only via mobile devices (rather than fixed installations such as in-building coaxial cable distribution system or standalone fixed antenna), the service would be in compliance with the requirement under the mobile television licence which stipulated

that mobile television service should be for reception at moving locations in Hong Kong. Besides, television programme service received through mobile devices was not related to specific premises, and thereby would not trigger the licensing requirement under the BO. Pursuant to the BO, “specified premises” meant any domestic household, or hotel room, in Hong Kong.

12. Ms. Agnes CHAN enquired if OFCA would consider whether HKMTV intended to render its television programme service available for reception via fixed installations when deciding its compliance with the relevant legislations.

13. The Chairman explained that if the mobile television service provider adopted the Digital Terrestrial Multimedia Broadcasting (DTMB) transmission standard, the objective consequence would be its television programme service being transmitted to and received by household television sets via fixed installations (e.g. in-building coaxial cable distribution system or standalone fixed antenna). Regardless of whether the service provider intended for such an objective consequence, it would still occur. Pursuant to the BO, if a person provided free or pay television programme service which was intended or **available for reception** by an audience of more than 5,000 specified premises in Hong Kong, the person had to take steps to obtain a domestic free television programme service licence or domestic pay television programme service licence. To prevent its television programme service from being received via fixed installations, mobile television service provider might choose transmission standards other than DTMB and consider implementing effective technical measures.

14. Mr. Thomas SUN enquired whether HKMTV would be in compliance with the relevant legislations if it continued to adopt China Mobile Multimedia Broadcasting (CMMB) standard.

15. The Chairman explained that as the existing television sets in Hong Kong had not been equipped with CMMB receivers, residents could not watch television programmes transmitted through CMMB standard on their television sets directly. As the programmes could not be received by audience of specified premises in Hong Kong, the licensing requirement under the BO would not be triggered.

16. Ms. Agnes CHAN noticed that HKMTV had explained that the CMMB standard was outdated and therefore it proposed to switch to another transmission standard. Mr. Thomas SUN was in the opinion that before acquiring the subsidiary company which held a mobile television licence from China Mobile Hong Kong Company Limited, Hong Kong Television Network Limited (“HKTV”) should be well aware of the transmission standard of the mobile television service. The Chairman added that the acquisition was a commercial decision of HKTV.

17. Ms. Edith HUI indicated that there were many television programmes available on the Internet for viewing at present, and some equipment such as Mi Box in the market allowed users to connect the programmes on the Internet to television sets for viewing. She enquired about the legality of the situation.

18. The Chairman responded that television programmes transmitted through the Internet were exempted from the BO.

19. Mr. Ben YU pointed out that subtitles were currently provided for evening television programmes only. He hoped that provisions would be added in the BO to require subtitles to be provided for programmes broadcasted in any time slots so as to facilitate audience with hearing impairment.

20. The Chairman said that the comments of Mr. Ben YU would be referred to

the colleagues of the Broadcasting Branch for reference.

[Post-meeting note: The Secretary had referred the comments of Mr. Ben YU to the Broadcasting Branch for reference]

IV. Any Other Business

Report on Consumer Complaints

21. The Secretary reported that the CA had received 908 and 953 cases of consumer complaints in the 4th Quarter of 2013 and the 1st Quarter of 2014 respectively, representing a drop when compared with the numbers in the previous two quarters. Among these complaints, 881 cases (97%) in the 4th Quarter of 2013 and 920 cases (96.5%) in the 1st Quarter of 2014 were outside the CA's jurisdiction. These complaints primarily involved disputes over billing/contracts/service termination, dissatisfaction with customer services and dissatisfaction with the quality of mobile telecommunications/fixed network/Internet services. The remaining 27 cases (3%) in the 4th Quarter of 2013 and the remaining 33 cases (3.5%) in the 1st Quarter of 2014 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, alleged anti-competitive practices of service operators and discrepancy between the service claimed by the salespersons and reality, etc. 2 cases and 1 case were confirmed to be in breach in the 4th Quarter of 2013 and the 1st Quarter of 2014 respectively, and the relevant investigation reports have been published on the CA's website. The latest consumer complaint statistics are at Annex 3.

V. End of the Term

22. The Chairman said that this meeting would be the last meeting of the current term of members (2012-2014). The Chairman expressed his gratitude to the members for their valuable feedback and support to OFCA throughout the past years and looked forward to co-operating with them again in the coming term.

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

Advice for Users of Walkie-talkies

Telecommunications Users and Consumers Advisory Committee
15 May 2014

Use of Walkie-talkies in Hong Kong

- Licensed walkie-talkies under Private Mobile Radio System Licence
 - For company or organisation use
 - commonly used in estate management, security, logistics, transportation, construction sites, engineering, public utilities etc
 - 2,163 systems covering 112,271 walkie-talkies and car mobile units as at March 2014

http://www.ofca.gov.hk/filemanager/ofca/en/content_108/eng_licensing.pdf
- Licence free walkie-talkies for public use
 - 409 MHz radios and Citizens Band (CB) radios
 - Both personal and commercial use

409 MHz Walkie-talkies

- Permitted for public use without licence in February 2003
- Licence exemption covered by Telecommunications (Telecommunications Apparatus) (Exemption from Licensing) Order
- 20 channels
- FM mode, 0.5 watt transmitted power
- Coverage up to 3 km



Certification of 409 MHz Walkie-talkies (1)

- CA prescribes the specifications for:
 - equipment certification
 - ensuring that equipment in the market meet the technical requirements and will not cause interference to other telecom equipment or services
- Certification on a voluntarily basis
- Manufacturers, suppliers and dealers must ensure that their equipment comply with the prescribed specifications even they do not apply for certification
- They are encouraged to submit their products for certification in order to help consumers to choose compliant products

Certification of 409 MHz Walkie-talkies (2)

- Only certified radios are affixed with a CA label as a consumer guidance
- Consumers advised to buy radios with a CA label
- Consumers can check the list of certified 409 MHz radios in OFCA website

<http://app1.ofca.gov.hk/apps/cte/content/listEquip.asp>



Label after 1 April 2012



Label before 1 April 2012

Popularity of 409 MHz Walkie-talkies

- Large number of certified models (71) available in the market
- Low cost and light weight
- Welcome by the public and various industries
- Personal use in hiking and outdoor activities
- Common in commercial use such as restaurants, construction sites, warehouses, supermarkets etc.

CB Walkie-talkies

- Opened for public use in January 2006
- 27 MHz frequencies, 40 channels, AM / FM, 4 watts transmitted power
- Over 10 km coverage
- Use of CB radios governed by Class Licence
- Anyone meeting the licence conditions of the Class Licence may operate CB radio without the need for individual licence, no registration, no licence fee
- OFCA may impose financial penalty on persons who fail to comply with the licence conditions of the Class Licence. The maximum penalty is \$200,000 fine.



Licence Conditions of CB Class Licence

- CB radios must be certified
 - To avoid non-compliant CB (high power radios with more than 40 channels) causing interference to telecom equipment and service
- Portable and car mobile units are permitted
- Base stations not permitted
 - Public concern on radiation safety and potential interference to TV and FM broadcast reception
- Restricted to receive only when used in indoor
 - Avoid interference to In-building Coaxial Cable Distribution System

Emergency Channel

- Hikers are encouraged to bring along walkie-talkies for maintaining close communications with team members
- Recommends the use of Ch. 9 in 409 MHz radios and CB radios as emergency channel
- Monitor Ch. 9, offer assistance as far as possible when there is an emergency call from Ch. 9
- Civil Aid Service crew listen to 409 MHz Ch.9 in search and rescue operation
- Turn off tone-squelch for Ch.9 of 409 MHz radios
- No tone-squelch feature in CB radios

Use of illegal Walkie-talkies

- Some walkie-talkies in the market are for export only and they are not conforming to the prescribed specifications
- Examples are US FRS (462/467 MHz) and European PMR 446 (446 MHz) walkie-talkies
- unlicensed radio dealers selling such walkie-talkies to public
- Possession or use of telecom equipment not meeting the prescribed specifications =>
Maximum penalty : \$50,000 fine and 2 years' imprisonment
- CA label can differentiate compliant equipment



FRS Walkie-talkie



PMR 446
Walkie-talkie

Unlicensed Use of Walkie-talkies

- A licence is required for the possession and use of radio apparatus except for radios covered by the Exemption Order
- Unlicensed radio dealers selling licensable radios to public
- Possession or use of walkie-talkies without a licence => Maximum penalty : \$50,000 fine and 2 years' imprisonment



Leaflet - Consumer Alert on Labelling



Look for CA Label when buying radiocommunications equipment

- Choose telecom equipment, such as walkie-talkies, cordless phones and WLAN etc with the CA label
- Look up the list of certified telecom equipment on the OFCA website

http://www.ofca.gov.hk/en/consumer_focus/education_corner/publicity/index_id_12.html

Thank You !

The Development and Regulatory Issues of Broadcast-type Mobile Television Service ("Mobile TV Service")

**Telecommunications Users and Consumers Advisory
Committee**

15 May 2014

Overseas Development of Mobile TV Services (1)

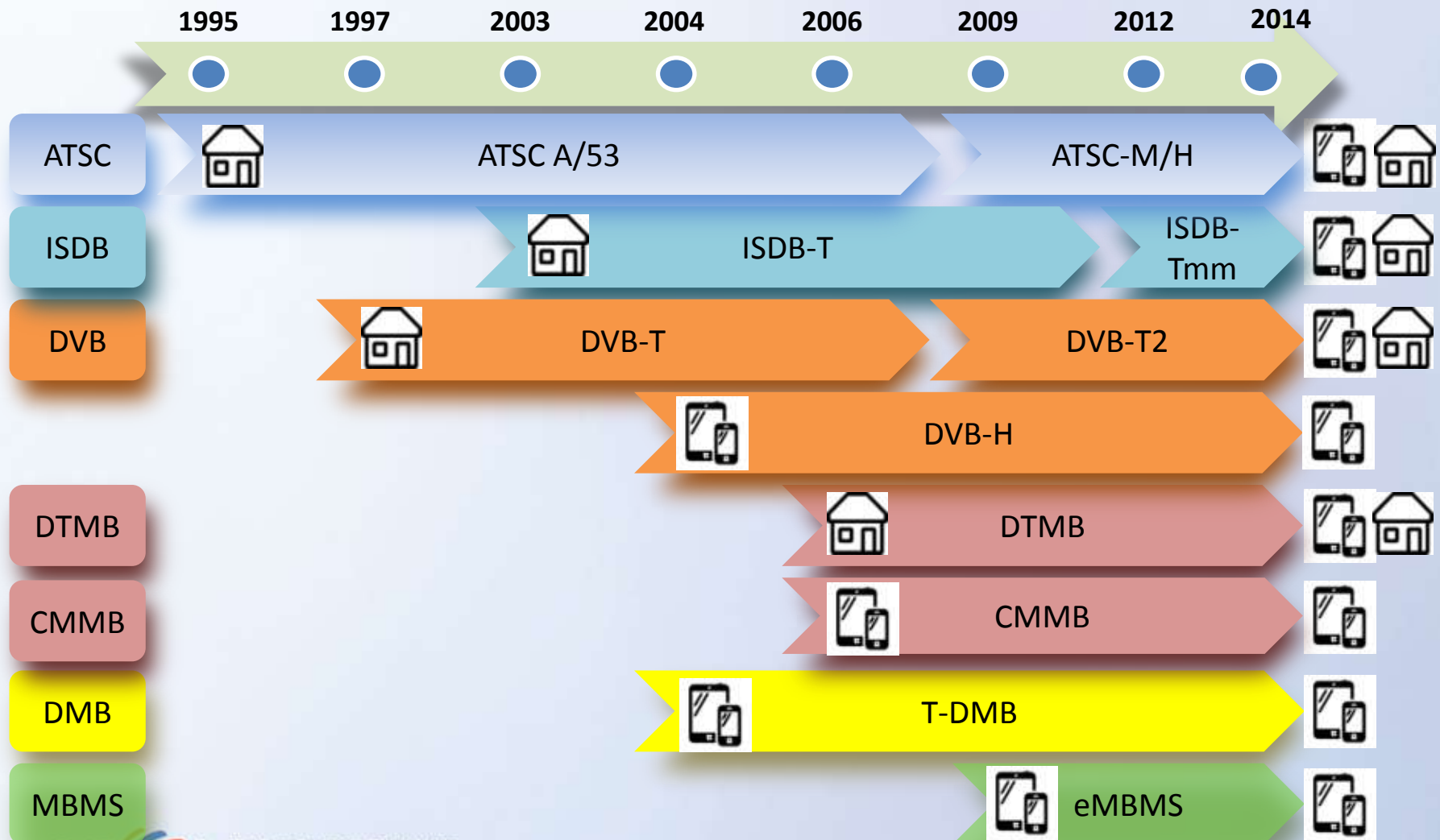
- Apart from Hong Kong, Mobile TV Services are also provided in other economies. Examples are given below –
 - **Asia** : (1) China, South Korea and Japan launched Mobile TV Services in 2005/2006 covering a number of cities
 - (2) Singapore conducted tests in 2006 and 2008, and published the regulatory framework of mobile broadcasting services in 2011. However, Mobile TV Service has yet to be launched at present

Overseas Development of Mobile TV Services (2)

- **Europe:** (1) Finland and Italy launched Mobile TV Service in 2006.
(2) France issued the licence for provision of Mobile TV Service in 2010, but the operator concerned has yet to launch the Mobile TV Service
(3) UK launched the Mobile TV Service in 2006, but the operator concerned terminated the service in 2007

- **North America:** USA launched the first Mobile TV Service in 2007, but the operator concerned terminated the service in 2011. Another operator launched the new Mobile TV Service in 2012. At present, the new service is being provided in more than 30 cities

Development of Broadcast-type Mobile TV Standards



Framework for Development of Mobile TV Service (1)

- To facilitate the development of Mobile TV Service in Hong Kong, the Government promulgated the “Framework for Development of Mobile TV Services” (the “Framework”) in December 2008 after two rounds of public consultations
- The relevant Legislative Council Brief states that –
 - **Mobile TV service** generally refers to the provision of television programme service by wireless transmission of audio-visual content for reception by mobile phones or other portable devices
 - The Broadcasting Ordinance (“BO”) currently does not regulate television programme services for mobile reception (i.e. **reception on the move not related to any specified premises**) in Hong Kong
 - Local Mobile TV Service is a nascent personalised service

Framework for Development of Mobile TV Service (2)

- In respect of the content regulation –
 - The Framework stipulates that the industry is required to develop a code of practice on provision of mobile TV services for the purpose of self-regulation
 - Following the Framework, the Communications Association of Hong Kong has issued a code of practice for mobile TV services in 2012. With a view to protecting children and public moral, the code requires mobile TV service providers to implement access control for pornographic and obscene contents. Furthermore, mobile TV service providers should have regard to the prevailing standards of morality generally accepted by society and in particular be vigilant about the likely effects of their television content on children

Radio Spectrum for Provision of Mobile TV Service

- The radio spectrum for provision of Mobile TV Service was auctioned off in June 2010
- The Qualified Bidder Notice issued by the former Telecommunications Authority on 17 June 2010 clearly states that **nothing in the auction or in the licence shall be construed as an authorisation for the licensee to provide any service subject to licensing under any other ordinance**
- The three qualified bidders were –
 - China Mobile Hong Kong Corporation Limited (“CMHKCL”)
 - City Telecom (H.K.) Limited
 - Hong Kong Telecommunications (HKT) Limited
- CMHKCL successfully bid the radio spectrum, and was granted with the Unified Carrier Licence (“UCL”) issued under the Telecommunications Ordinance (“TO”)

The UCL Issued under the TO for the Provision of Mobile TV Service

- The UCL authorized to provide Mobile TV Service sets out that –
 - Mobile TV Service conveys television programmes with the use of digital broadcasting technologies for reception at moving locations in Hong Kong
 - **Prohibit the provision of any fixed services;** and
 - **Do not authorize the provision of any service subject to licensing under any other ordinance**

Licensing and Regulatory Requirements under the BO (1)

- Pursuant to the BO –
 - If a person provides free/pay television programme service which is intended or available for reception by an audience of more than 5,000 specified premises, the person must take steps to obtain a domestic free television programme service (“FTV”) licence or domestic pay television programme service (“PTV”) licence
 - Specified premises mean any domestic premises, or hotel room, in Hong Kong
- If a person is unable to ensure that his/her television service is not available for reception by an audience of more than 5,000 specified premises, the person must take steps to obtain a FTV/PTV licence under the BO

Licensing and Regulatory Requirements under the BO (2)

- For the television programme services regulated under the BO, licensees shall comply with the relevant legislations and regulations (including the requirements in relation to the control and management of the licensees, prohibition on anti-competitive conduct, prohibition on abuse of dominance, etc.), the terms and conditions of their licences as well as the codes of practice issued by the CA concerning the programme, advertising and technical standards

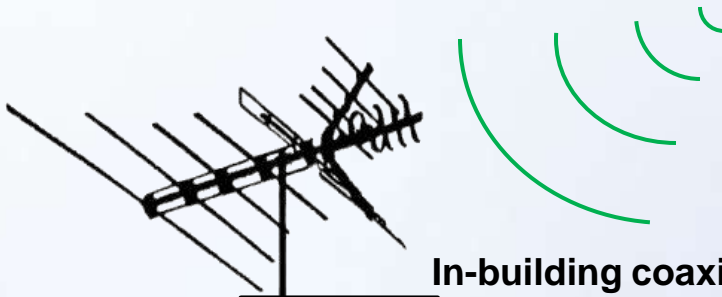
TO vs BO (1)

- The TO and the BO are separate statutes which cover different areas.
The mere fact that any company holds a UCL does not automatically displace further licensing requirements under the BO if the service the said company intends to provide triggers the licensing requirement there under.

TO vs BO (2)

- Under section 2 of the BO, **FTV** means a television programme service which –
 - a) is intended or available for reception by the public free of charge in Hong Kong;
 - b) is intended or available for reception by an audience of more than 5,000 specified premises; and
 - c) primarily targets Hong Kong
- Pursuant to section 8(1)(aa) of the TO, no person shall make an offer in the course of business a telecommunications service without a licence. Section 8(1A) sets out that a person is to be regarded as offering a telecommunications service if he **makes an offer, and the offer is accepted**
- The possible reception of FTV signals by portable devices does not necessarily mean that the operator in question is offering in the course of business Mobile TV Service

Example of Reception at Fixed Location



In-building coaxial cable distribution system or standalone fixed antenna

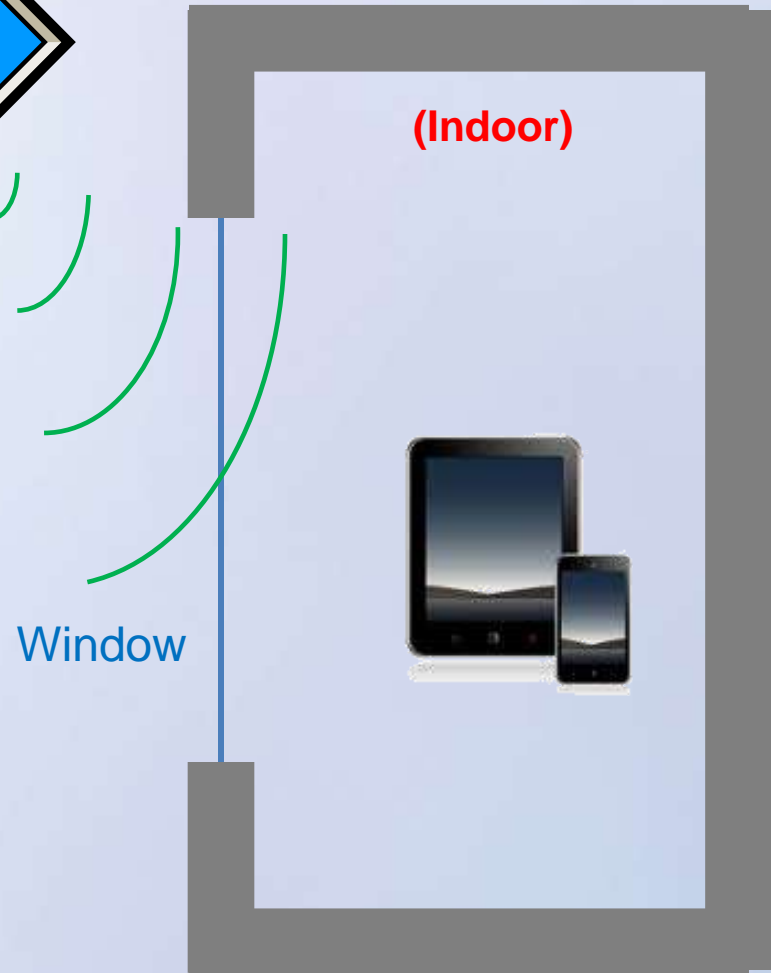


Window

Television set



Example of Reception at Moving Location



Development of Mobile TV Service in Hong Kong

- Having bid the relevant radio spectrum, CMHKCL was granted with the UCL under the TO in August 2010. CMHKCL provided the Mobile TV Service using China Mobile Multimedia Broadcasting (“CMMB”) standard during the period between February 2012 and December 2013
- Hong Kong Television Network Limited announced on 20 December 2013 the acquisition of 100% of the equity interest of CMHKCL, and changed the name of the acquired licensee to Hong Kong Mobile Television Network Limited (“HKMTV”) on 17 January 2014
- HKMTV has applied for judicial review concerning the transmission standard to be adopted for provision of Mobile TV Service and the relevant issues. For the time being, HKMTV has yet to launch its Mobile TV Service

Thank You

**The 6th Meeting of the Telecommunications Users and Consumers Advisory Committee
(15 May 2014)**

**CA's Latest Statistics on Consumer Complaints on Telecom Services
(4th Quarter of 2013 and 1st Quarter of 2014)**

Service Type	2 nd Q 2013		3 rd Q 2013		4 th Q 2013		1 st Q 2014		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	January 2013 to March 2014
Mobile	591	576	555	537	548	537	659	642	4
Fixed Network	215	200	205	187	131	123	115	107	2
Internet	407	381	313	296	201	195	147	141	1
External Telecommunications	11	11	13	11	15	15	15	14	0
Others	15	14	13	12	5	3	13	12	0
Unclassified	11	11	6	6	8	8	4	4	0
Total	1250	1193	1105	1049	908	881	953	920	7

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 and the Trade Descriptions Ordinance.

A. Analysis of Complaints in the 4th Quarter of 2013 and the 1st Quarter of 2014

Overview

- In the 4th Quarter of 2013 and the 1st Quarter of 2014, the CA received 908 and 953 cases of consumer complaints respectively, showing a decrease from the number of cases received in the 2nd and 3rd Quarters of 2013 (1250 and 1105 cases respectively). Among the complaints received in the two Quarters, 97% of the complaints (881 cases) in the 4th Quarter of 2013 and 96.5% of the complaints (920 cases) in the 1st Quarter of 2014 were outside the 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 related to 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 three types of complaints accounted for 86.2% (759 cases) and 84.6% (778 cases) of the cases which did not involve any breach of the TO or LC in the two Quarters respectively. The 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 27 cases (3%) of consumer complaints in the 4th Quarter of 2013 and the remaining 33 cases (3.5%) of consumer complaints in the 1st Quarter of 2014 (totalling 60 cases) were related to possible breach of the TO or LC, i.e., they might be within the CA's scope of jurisdiction. Among the total of 60 complaint cases in these two Quarters, 32 cases (53.3% of the possible breaches) were related to alleged

misleading or deceptive sales conduct, from which 23 cases being related to mobile services, 8 cases about Internet services and 1 case involving fixed network services. The remaining cases of possible breach of the TO or LC included 17 cases which involved access by operators to public areas of buildings for the installation of telecommunications / broadcasting equipment and networks, 2 cases of allegation against service operators of their suspected anti-competitive practice, 2 cases concerning the discrepancy between the service items claimed by the telesales representatives of the service operators and reality, 2 cases were related to dissatisfaction with the arrangements of mobile service operators in implementing the Fair Usage Policy, while the remaining 5 cases included 1 case each for allegation against a mobile service operator of suspected abuse of dominant position for charging customers service fees, the discrepancy between an operator's network coverage and the information stated in its promotional materials, the discrepancy between the Fair Usage Policy claimed by the sales representatives and reality, the discrepancy between the network access speed stated in its promotional materials of the Internet service providers and actual speed, and not specifying that the service plans were subject to the restriction of the Fair Usage Policy. The CA would conduct investigation on possible breach of the TO or LC should there be sufficient *prima facie* evidence.

Mobile Services

- In the 4th Quarter of 2013, among all the consumer complaints received by the CA, the number of cases and the complaint rate concerning mobile services were 548 cases (60.4%), indicating a slight decrease from the 555 cases (50.2%) in the 3rd Quarter. Among the complaints relating to mobile services, the major types of complaints were related to disputes on bills / contract terms / service termination (274 cases), followed by dissatisfaction with customer service (110 cases) and dissatisfaction with network quality (75 cases), accounting for 83.8% (459

cases) of the total number of complaints received in relation to mobile services. In the 1st Quarter of 2014, the number of cases and the complaint rate concerning mobile services were 659 cases (69.2%), indicating a sharp increase from the 548 cases (60.4%) in the 4th Quarter of 2013. Disputes on bills / contract terms / service termination (376 cases), dissatisfaction with customer service (93 cases) and dissatisfaction with network quality (66 cases) remained to be the major types of complaints, accounting for 81.2% (535 cases) of the total number of complaints received in relation to mobile services. In the 4th Quarter of 2013 and 1st Quarter of 2014, there were 28 mobile services-related cases involving possible breach of the TO and LC, among which 23 cases were related to alleged misleading or deceptive sales conduct, 2 cases were related to dissatisfaction with the arrangements of service operators in implementing the Fair Usage Policy, and 1 case each for allegation against a mobile service operator of suspected abuse of dominant position for charging customers service fees, the discrepancy between an operator's network coverage and the information stated in its promotional materials, and the discrepancy between the Fair Usage Policy claimed by the sales representatives and reality.

Fixed Network Services

- In the 4th Quarter of 2013 and the 1st Quarter of 2014, the CA received 131 and 115 cases of consumer complaints concerning fixed network services respectively, accounting for 14.4% and 12.1% of the complaints in the respective Quarters. The numbers of cases in the two Quarters showed a decrease when compared to the 205 cases (18.6%) in the 3rd Quarter of 2013. The three major types of complaints received in the 4th Quarter of 2013 were related to disputes on bills / contract terms / service termination (63 cases), dissatisfaction with customer service (41 cases), and dissatisfaction with network quality (7 cases), totalling 111 cases and accounting for 84.7% of the total number of complaints

concerning fixed network services received by the CA. In the 1st Quarter of 2014, the three major types of complaints were related to disputes on bills / contract terms / service termination (47 cases), dissatisfaction with customer service (34 cases), and dissatisfaction with network quality (11 cases), totalling 92 cases and accounting for 80% of the total number of complaints concerning fixed network services received by the CA. As for the cases involving possible breach of the TO or LC, there were 16 cases in these two Quarters, which included 14 cases being related to access by operators to public areas of buildings for the installation of telecommunications / broadcasting equipment and networks, 1 case on alleged misleading or deceptive sales conduct, and 1 case about allegation against a service operator of its suspected anti-competitive practice.

Internet Services

- In the 4th Quarter of 2013, among all the consumer complaints received by the CA, the number of cases and the complaint rate related to Internet services were 201 cases (22.1%), whereas the number of cases and the complaint rate related to Internet services in the 1st Quarter of 2014 were 147 cases (15.4%), showing a gradual decrease in the number of complaints since the 3rd Quarter of 2013. The three major types of complaints received in the 4th Quarter of 2013 and the 1st Quarter of 2014s were related to disputes on bills / contract terms / service termination (77 cases in the 4th Quarter of 2013 and 60 cases in the 1st Quarter of 2014), dissatisfaction with customer service (53 cases in the 4th Quarter and 40 cases in the 1st Quarter) and dissatisfaction with Internet service quality (41 cases in the 4th Quarter and 32 cases in the 1st Quarter), accounting for 85.1% (171 cases) and 89.8% (132 cases) of the total number of complaints related to Internet services in the respective Quarters. Among the complaints involving possible breach of the TO or LC in these two Quarters, 12 cases were related to Internet services. Of these cases, 8 were related to suspected misleading or deceptive sales conduct, while the remaining 4 cases included 1 case each for allegation against a service

operator of its suspected anti-competitive practice, the discrepancy between the service items claimed by the telesales representatives and reality, the discrepancy between the network access speed and the one specified in the promotional materials, and not specifying that the service plans were subject to the restriction of the Fair Usage Policy.

- 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

- There were 2 cases of breach in the 4th Quarter of 2013 which were related to misleading or deceptive representations made by the sales representatives of a fixed network service operator when promoting residential fixed telephone line and broadband Internet access services, as well as renewing a contract with another residential fixed network services customer respectively. The service operator was found to have contravened section 7M of the Telecommunications Ordinance. The CA had imposed a fine of \$90,000 and \$50,000 respectively on the service operator.
- There was 1 case of breach in the 1st Quarter of 2014 which was related to a sales representative of a mobile service operator who, while promoting the service of the operator, had not disclosed that the data service was subject to speed limits. The service operator was found to have contravened section 7M of the Telecommunications Ordinance. The CA had imposed a fine of \$60,000 on the mobile service operator.
- The investigation reports of the aforesaid cases of breach have been published on the CA’s website.

Statistics on Consumer Complaints Received by the CA

Service Type	2011	2012	2013	2014 (1st Quarter)
Mobile	2302	2738	2213	659
Fixed Network	801	735	724	115
Internet	1603	1590	1237	147
External Telecommunications	89	87	55	15
Others	99	73	41	13
Unclassified	56	39	33	4
Total	4950	5262	4303	953