

Telecommunications Users and Consumers Advisory Committee (TUCAC)
Minutes of the 15th Meeting held at 3:00 p.m.
on 25 January 2018 (Thursday) in Conference Room,
Office of the Communications Authority (“OFCA”),
29/F Wu Chung House, Wan Chai

Present:

Mr. Chaucer LEUNG (Chairman)	Deputy Director-General, OFCA
Ms. Edith HUI	Representative of the Hong Kong General Chamber of Commerce
Mr. Eric YEUNG	Representative of small and medium enterprises
Mr. Kenny CHIU	Member appointed on an ad personam basis
Mr. Thomas SUN	Representative as a member of the public
Mr. C B WONG	Representative as a member of the public
Ms. Martha LEUNG	Representative as a member of the public
Ms. Eva LAU	Representative as a member of the public
Ms. Jamay WONG (Secretary)	OFCA

In attendance:

Ms. Vera CHUNG	OFCA
Ms. Gladys NG	OFCA
Mr. Penny LO	OFCA
Ms. Edith YAU	OFCA

Absent with apologies:

Mr. L K CHONG	Representative of Communications Association of Hong Kong
Mr. Kenny YIU	Representative of Hong Kong Wireless Technology Industry Association
Ms. June IP	Representative of Consumer Council

Ms. Irene LEUNG	Representative of the aged community
Mr. K W MA	Member appointed on an ad personam basis
Mr. C M CHUNG	Representative of the disabled
Mr. William TANG	Representative of the disabled
Ms. Florence MAN	Representative as a member of the public
Ms. Pauline YUNG	Representative as a member of the public
Ms. Cindy CHAN	Representative as a member of the public
Ms. Eva WONG	Representative as a member of the public
Mr. Derek Emory YEUNG	Representative as a member of the public
Mr. Daniel LO	Representative as a member of the public
Mr. W C CHENG	Representative of Education Bureau

I. Minutes of the 14th Meeting of the Telecommunications Users and Consumers Advisory Committee (“TUCAC”)

1. The Secretary had not received any proposed amendments to the draft minutes of the 14th meeting from the members while the Secretary of the Telecommunications Regulatory Affairs Advisory Committee (“TRAAC”) had received from the TRAAC members and participants of the meeting an amendment proposal and an addition proposal concerning Joint Agenda I in the draft minutes. The Secretary reported that OFCA, after considering the proposals received, had amended the minutes concerning Joint Agenda I in accordance with the discussion that day. As no comment on the amended TUCAC minutes was made by the members in the meeting, the Chairman announced that the minutes of the 14th meeting were confirmed and said that the minutes would be emailed to all the members upon confirmation of the minutes concerning Joint Agenda I by the TRAAC members.

[Post-meeting note: The TRAAC members confirmed the minutes concerning Joint Agenda I on 8 February. The Secretary emailed the minutes of the 14th meeting of TUCAC to all the members on 9 February.]

II. Creation of a New Licence for the Provision of Wireless Internet of Things

Services

2. Ms. Gladys NG briefed the members on the details of the new Wireless Internet of Things (“WIoT”) Licence. Related information was set out in TUCAC Paper No. 1/2018.
3. Mr. Eric YEUNG enquired whether the WIoT Licence only regulated wireless applications using the shared frequency band of 920 – 925 MHz but not other wireless applications such as Bluetooth and Wi-Fi.
4. The Chairman responded that the main purpose of creating a new licensing regime for the WIoT was to promote the development of WIoT services and platforms. The requirement for operators to use the shared frequency band of 920 – 925 MHz as specified in the two licences issued was mainly based on the proposals put forward by the operators in their licence applications. Should applicants of WIoT Licence proposed using other shared frequency bands such as the 2.4 GHz or 5 GHz bands for the provision of WIoT services in the future, the CA would specify the usable spectrum in the WIoT Licence subject to the results of the vetting of the licence applications.
5. Ms. Gladys NG supplemented that the application guidelines for the WIoT Licence had already stated clearly that in addition to the shared frequency band of 920 – 925 MHz, applicants could use other shared frequency bands to provide WIoT services. However, in vetting the applications, the CA would take into account other factors such as the sharing and the compatibility with other uses in the frequency bands concerned.
6. Mr. Eric YEUNG enquired whether members of the public would be required to hold a WIoT Licence if they set up WIoT equipment at home for connection to the Internet, such as connecting electronic scales to the cloud network for record and data storage .

7. The Chairman replied that the regulatory target of the WIoT Licence was operators of public WIoT services and platforms. Members of the public who set up WIoT equipment for personal use at home would not be required to apply for a WIoT Licence.

8. Ms. Martha LEUNG said that the supplier of her photocopier had connected her photocopier to the Internet to facilitate the provision of support services through automatic monitoring of the use of her photocopier. For example, the supplier would arrange for a toner refill service when the toner was about to be used up. She enquired whether her supplier was required to apply for a WIoT Licence for providing such a service.

9. The Chairman explained that since the supplier connected the photocopier to the Internet only for the purpose of monitoring the use of the photocopier and no public telecommunications services were provided under such circumstances, an application for the relevant telecommunications service licence was not required.

10. Ms. Martha LEUNG added that according to the manual of an air purifier currently available on the market, users could connect the air purifier to their smartphones via Wi-Fi networks to check the air quality index and find out when the filter needed to be replaced. She enquired if the supplier was not required to apply for a WIoT Licence in that case.

11. The Chairman confirmed the understanding of Ms. Martha LEUNG that the supplier concerned was not required to apply for a WIoT Licence.

12. Mr. Kenny CHIU enquired whether WIoT Licence applicants would be subject to assets test and geographical limitation, and whether OFCA would consider requesting WIoT applicants to submit bonds to the CA to guarantee the removal of their devices and facilities upon termination of service provision.

13. Ms. Gladys NG responded that a WIoT Licence applicant must be a company

registered in Hong Kong. To encourage more operators to provide IoT services, OFCA required applicants to provide financial statements for the recent three years but did not establish a regime for collecting bonds. Details of other requirements were set out in the licence application guidelines.

14. The Chairman said that to encourage more operators to provide WIoT services, the CA decided to adopt a less stringent licensing regime for the WIoT Licence as compared with other licences, and therefore did not establish any regime for collecting bonds. The Chairman understood Mr. Kenny CHIU's concern and thanked him for his views, and said that OFCA would continue to closely monitor market developments.

15. Mr. C B WONG suggested that OFCA should consider collecting the bonds from operators by other means, such as bank guarantees with the amount of bond determined by the number of customers, so as to avoid putting pressure on the operating costs of smaller-scale operators.

16. Mr. Kenny CHIU noticed that there was a craze for speculating various types of licences in Hong Kong. Given that the WIoT service was an emerging industry and its licensing regime was less stringent, he suggested that OFCA should tighten the requirements on the application for change of licence holder and impose certain charges to avoid "speculation" on the licence.

17. The Chairman understood Mr. Kenny CHIU's concern and responded that in vetting applications for the change of licence holder from operators, OFCA would consider whether the competitive environment would be affected before granting approvals.

18. Mr. C B WONG opined that the trading of licences was based on commercial decisions. Mr. Kenny CHIU's concern should be alleviated as OFCA would assess the applicants' financial capability, infrastructure for providing services, technology and competence, etc. upon vetting the WIoT Licence applications.

19. Ms. Edith HUI said that WIoT services could be applied to services related to personal safety such as autonomous vehicles. OFCA should therefore impose stricter regulations on the quality of services under the WIoT Licence.

20. The Chairman said that the development of telecommunications services had extended to the management of everyday life. For example, WIoT devices could be installed in vehicles to enable communication among vehicles for enhancing road safety. The regulations of these kinds of applications or services might involve other government departments or regulators. In light of this, in cases where applications of WIoT services involved other areas, operators should liaise with relevant government departments or regulators to ensure compliance with the laws of Hong Kong.

III. Implementation of Measures for More Efficient Utilisation of the 8-Digit Numbering Plan

21. Ms. Vera Chung briefed the members on the implementation of measures for more efficient utilisation of the 8-digit numbering plan (“the measures”), including details of each measure, implementation schedule and additional numbers made available, progress of implementation, and OFCA’s preparatory work. Related information was set out in TUCAC Paper No. 2/2018.

22. Mr. Kenny CHIU considered that the additional numbers made available through the measures were just a drop in the bucket. As a tourist city, Hong Kong attracted tens of millions of tourists every year and the amount of phone numbers consumed was likely to be substantial. He suggested that apart from implementing the measures, OFCA should also encourage operators to use phone numbers efficiently and to consider ways to reuse some of the suspended phone numbers, especially those used for data services only. For example, OFCA could shorten the frozen period of those numbers so as to expedite the re-usage of numbers.

23. Ms. Vera Chung responded that one of the measures included requiring operators to meet a higher utilisation threshold for allocation of additional numbers.

OFCA would require operators to provide information about their re-usage of numbers to ensure their compliance with relevant requirements before allocating additional numbers to them. In fact, OFCA noticed that since the publication of the consultation paper on the measures and the promulgation of OFCA's decision, the consumption of phone numbers had been gradually dwindling.

24. The Chairman supplemented that operators were required to pay an annual number fee of \$3 for each number allocated (regardless of whether the number had been assigned to an end user). Such a fee should be able to promote efficient use of numbers allocated to operators.

25. Ms. Edith HUI pointed out that if the "frozen" period of the reused numbers was too short, incumbent users of the numbers might experience inconvenience as they might receive calls that were made to previous users. Moreover, for those numbers that were reused frequently, incumbent users might find themselves unable to register those numbers for certain services on the Mainland as the numbers had already been reused for multiple times.

26. The Chairman said that he understood the situation, and remarked that it was therefore essential for OFCA to strike a balance between making available additional numbers on the market and determining the time to freeze/reuse the numbers. As to the problem of failing to register reused numbers for certain services on the Mainland, users might have to apply for a new number from their operators as a replacement.

27. Mr. Thomas SUN enquired whether consumers had the right to ask for new unused numbers from their operators.

28. The Chairman responded that consumers could make such requests. However, whether operators would provide new unused numbers to consumer upon request could be subject to their operational arrangements and the availability of new unused numbers in their number pools for allocation.

IV. Any Other Business

29. The Secretary reported that the CA had received 523 and 512 cases of consumer complaints in the 3rd Quarter and 4th Quarter of 2017 respectively. Among these complaints, 522 cases (99.8%) in the 3rd Quarter and 511 cases (99.8%) in the 4th Quarter were outside the CA's jurisdiction. These complaints primarily involved dissatisfaction with customer services, disputes over contracts/service termination, disputes over billing and dissatisfaction with the quality of mobile communications/fixed network/Internet services. One case (0.2%) in each of the 3rd Quarter and 4th Quarter was related to the possible breach of the Telecommunications Ordinance or licence conditions, including porting of wrong mobile numbers by mobile communications service providers and dissatisfaction with fixed network operators for failing to provide stable and satisfactory fixed telephone service to customers. No substantiated case was confirmed to be in breach of the Telecommunications Ordinance/licence conditions in the 3rd Quarter and 4th Quarter of 2017. The latest consumer complaint statistics are in Annex 1.

30. There being no other business, the meeting was adjourned at 4:45 p.m.

Report on Consumer Complaints on Telecom Services

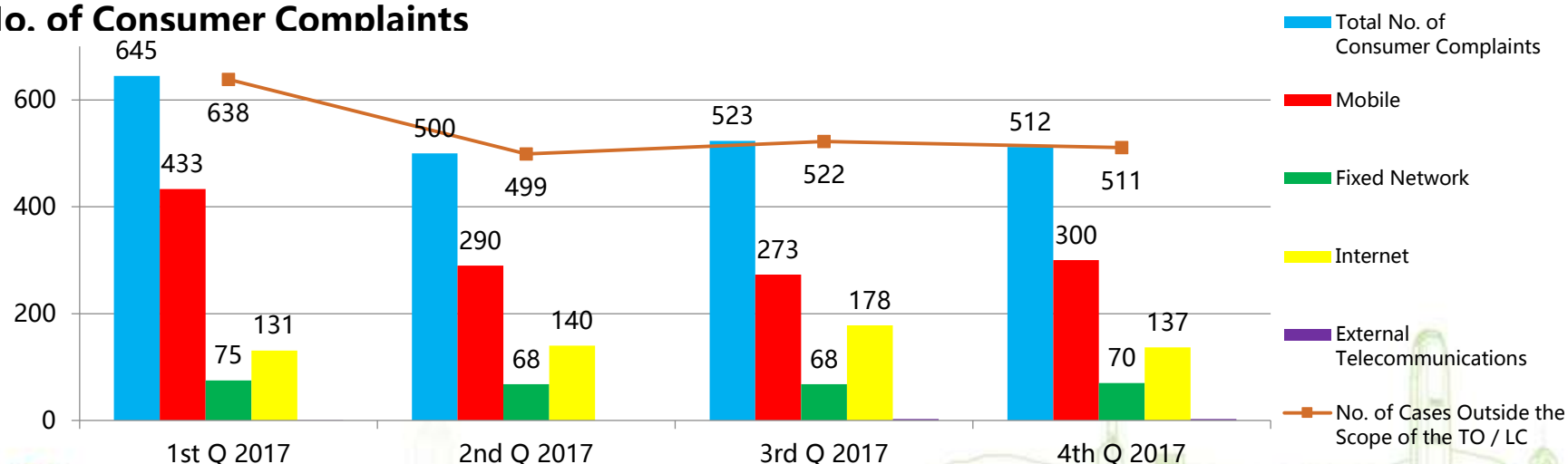
The Telecommunications Users and
Consumers Advisory Committee
The 15th Meeting
25 January 2018



Overview (3rd Quarter of 2017 and 4th Quarter of 2017)

(Categorised by service types)	1 st Q 2017	2 nd Q 2017	3 rd Q 2017	4 th Q 2017	3 rd Q 2017	4 th Q 2017	No. of Cases Outside the Scope of the Telecommunications Ordinance ("TO") / Licence Conditions ("LC")
Total No. of Consumer Complaints	645	500	523	512	522	511	
Mobile	433	290	273	300	272	300	
Fixed Network	75	68	68	70	68	69	
Internet	131	140	178	137	178	137	
External Telecommunications	1	0	3	3	3	3	

No. of Consumer Complaints



No. of Complaints (3rd Quarter of 2017 and 4th Quarter of 2017)

Decrease in the number of complaint cases after a slight increase

In the 3rd Quarter of 2017, the Communications Authority ("CA") received 523 cases of consumer complaints, representing a slight increase of 4.6% from the 500 cases received in the 2nd Quarter of 2017. In the 4th Quarter of 2017, the number of CA received consumer complaints decreased to 512 cases.

No. of cases not involving any breach of the TO or LC : 522 and 511 cases in the 2 Quarters respectively

The cases mainly involved :

	3 rd Q 2017	4 th Q 2017
➤ Dissatisfaction with customer service :	163 cases	107 cases
➤ Disputes on contract terms / service termination :	84 cases	103 cases
➤ Disputes on bills:	84 cases	94 cases
➤ Dissatisfaction with the quality of mobile/ fixed network/Internet services :	92 cases	85 cases

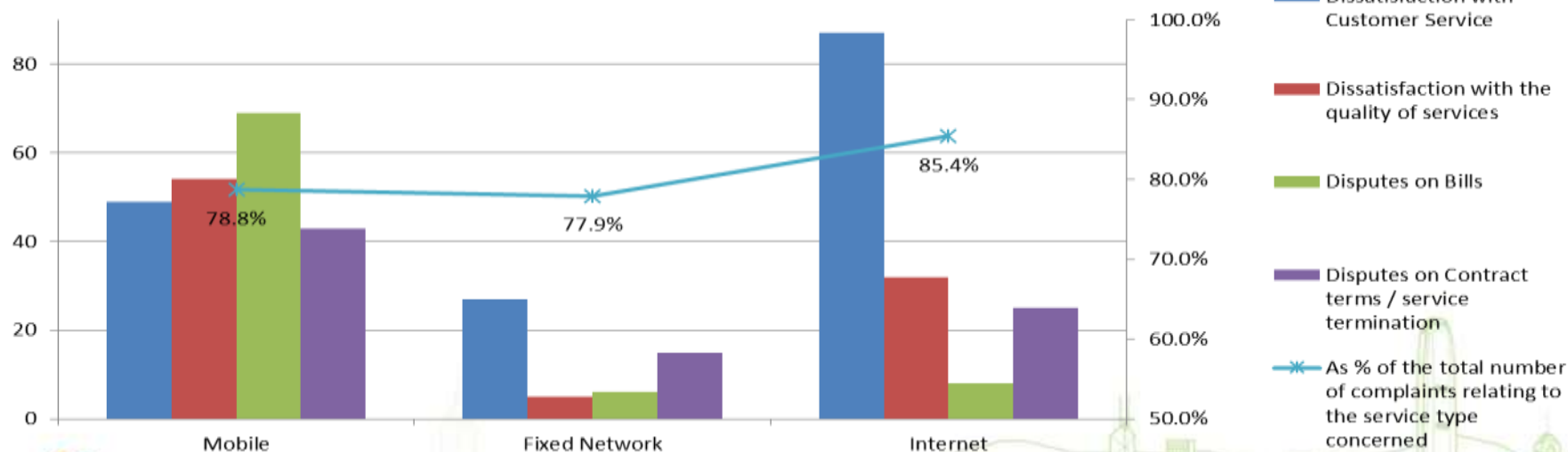
No. of cases involving possible breach of the TO or LC : 1 case in each Quarter

➤ Alleged a mobile service provider ported in mobile number wrongly:	1 case	0 case
➤ Dissatisfaction on a fixed network operator not providing stable and satisfactory services :	0 case	1 case

No. of Complaints (3rd Quarter of 2017)

<i>(Categorised by major service types)</i>	<u>Dissatisfaction with customer service</u>	<u>Dissatisfaction with the quality of services</u>	<u>Disputes on bills</u>	<u>Disputes on contract terms / service termination</u>	<u>As percentage of the total number of complaints relating to the service type concerned</u>
Mobile	49	54	69	43	78.8%
Fixed Network	27	5	6	15	77.9%
Internet	87	32	8	25	85.4%

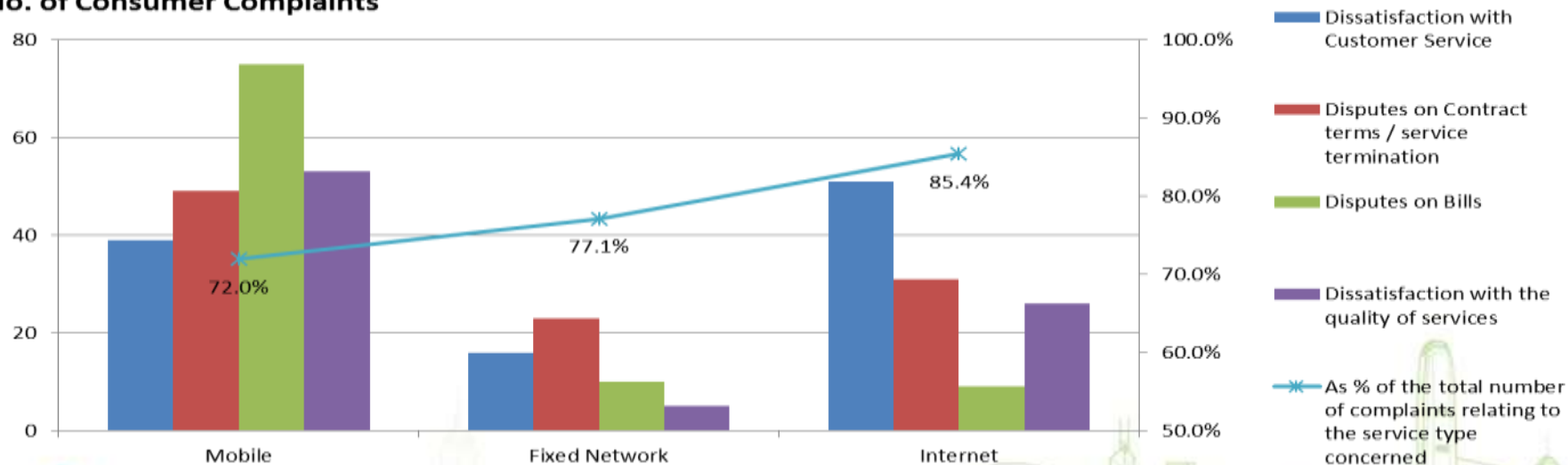
No. of Consumer Complaints



No. of Complaints (4th Quarter of 2017)

<i>(Categorised by major service types)</i>	<u>Dissatisfaction with customer service</u>	<u>Disputes on contract terms / service termination</u>	<u>Disputes on bills</u>	<u>Dissatisfaction with the quality of services</u>	<u>As percentage of the total number of complaints relating to the service type concerned</u>
Mobile	39	49	75	53	72.0%
Fixed Network	16	23	10	5	77.1%
Internet	51	31	9	26	85.4%

No. of Consumer Complaints



No. of Complaints (3rd Quarter of 2017 and 4th Quarter of 2017)

Case Analysis of Breach of the TO / LC

In the 3rd Quarter and 4th Quarter of 2017, there was no substantiated case of breach of the TO/LC.



Thank You

