Annex A

Promoting the Provision of Broadband Internet Access

The Government has not mandated the provision of broadband Internet access service in newly constructed buildings. In practice, however, with extensive coverage of advanced telecommunications networks in Hong Kong, broadband Internet access service can be made available to virtually all commercial buildings and households.

2.	The Government has implemented measures to facilitate the rollout of high bandwidth telecommunications networks to reach residential premises. For example, telecommunications risers and telecommunications-broadcasting equipment room, which are necessary for network operators to install wirings and supporting equipment to provide service to residents, are exempted from the calculation of the plot ratio of a development. This should encourage property developers to make available more space in the buildings for such facilities.

3.	Furthermore, the Government has introduced a type of class licence under the Telecommunications Ordinance that allows property developers to install their own in-building wiring systems without the need to seek individual licences. Apart from enabling property developers to make use of such in-building wiring systems to provide "intelligent homes" services, different network operators can interconnect with such in-building wiring systems to reach the premises of the residents and provide them with broadband Internet access services without the need to install their own wirings.

International Telecommunication Union Digital Access Index

The Digital Access Index (DAI) published by the International Telecommunication Union in November 2003 measures the overall ability of individuals in different economies to access and use information and communication technology using indicators in five categories, namely, infrastructure, affordability, knowledge, quality and usage. The top economies in these five categories in 2002 are set out below.

Infrastructure

Top 5 by fixed telephone subscribers per 100 inhabitants

1.	Sweden	65.25
2.	United States	65.02
3.	Cyprus	62.44
4.	Canada	61.30
5.	Taiwan	57.45

Top 5 by mobile cellular subscribers per 100 inhabitants

1.	Taiwan	106.5
2.	Luxembourg	105.4
3.	Israel	95.5
4.	Italy	92.5
5.	Hong Kong	91.6

Affordability

Top 5 by Internet tariff as percentage of per capita income[1]

1.	Hong Kong	0.19
2.	United States	0.51
3.	Singapore	0.64
4.	Denmark	0.68
5.	Canada	0.68

Knowledge

Top by United Nations Development Programme (UNDP) Education index[2]

	Literacy	School enrolment	Education index
Australia	99	114	0.99
Belgium	99	107	0.99
Denmark	99	98	0.99
Finland	99	103	0.99
Netherlands	99	99	0.99
New Zealand	99	99	0.99
Norway	99	98	0.99
Sweden	99	113	0.99
United Kingdom	99	112	0.99

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[1] Calculated as cheapest price for 20 hours of Internet use per month divided by per capita income.

[2] The Education index is computed from the adult literacy rate and gross school enrolment. Adult literacy is defined by the UNDP as "the percentage of people aged 15 and above who can, with understanding, read and write a short, simple statement related to their everyday life". Overall school enrolment refers to the gross rate and is defined as the number of students in primary, secondary and tertiary schools divided by the population of that school age. The figure can exceed 100 due to repeaters or those older or younger than the official age being enrolled. The Education index is calculated on the basis of the literacy rate (with 2/3 weighting) and school enrolment (1/3 weighting). Economies are shown in alphabetical order.

Quality

Top 5 broadband Internet subscribers per 100 inhabitants

1.   Republic of Korea   21.9
2.   Hong Kong   14.6
3.   Canada   11.1
4.   Taiwan   9.4
5.   Belgium   8.4

Top 5 by international Internet bandwidth (bits) per inhabitant

1.   Denmark   20,284
2.   Sweden   10,611
3.   Netherlands   10,327
4.   Switzerland   8,991
5.   Belgium   8,121

Usage

Top 5 by Internet users per 100 inhabitants

1.   Iceland   64.9
2.   Sweden   57.3
3.   Republic of Korea   55.2
4.   United States   55.1
5.   Japan   54.5