

商務及經濟發展局
通訊及科技科

香港添馬添美道二號
政府總部西翼二十一樓



COMMUNICATIONS
AND TECHNOLOGY BRANCH
COMMERCE AND ECONOMIC
DEVELOPMENT BUREAU

21/F, West Wing
Central Government Offices
2 Tim Mei Avenue
Tamar, Hong Kong

本局檔號 OUR REF :
來函檔號 YOUR REF :
電話 TEL. NO. : (852) 2810 2708
傳真 FAXLINE : (852) 2511 1458
電子郵件 E-mail Address: aaronliu@cedb.gov.hk

By Fax: 2869 6794

9 July 2012

Ms Yue Tin-po
Clerk to Panel on
Information Technology and Broadcasting
Legislative Council
1 Legislative Council Road
Central, Hong Kong

Dear Ms Yue,

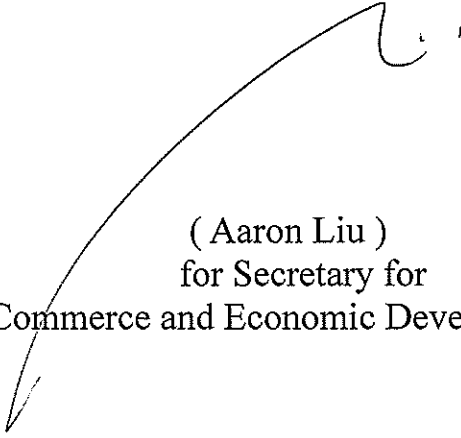
**Panel on Information Technology and Broadcasting –
List of follow-up actions – broadcasting-related items**

I refer to the list of follow-up actions and would like to take this opportunity to provide the Panel with the requested information in respect of the following broadcasting-related items at the **Annex** -

- Item 1 - Pirated viewing of subscription television programmes
- Item 2 - Issues relating to the Broadcasting Authority
- Item 3 - Progress in the implementation of digital terrestrial television (DTT) broadcasting in Hong Kong

- Item 6 - Progress report on the manpower arrangement of Radio Television Hong Kong (RTHK)

We would be grateful if you could help convey the above information to the Panel members for their reference. Thank you.



(Aaron Liu)
for Secretary for
Commerce and Economic Development

List of follow-up items - broadcasting-related items

Item 1 Pirated viewing of subscription television programmes

At the Panel meeting on 11 July 2005, the Administration was requested to monitor the global trend of regulatory practices against pirated viewing of pay TV programmes and update the Panel where necessary. We have since been keeping in view the relevant developments.

2. Since our last report, there have been some developments overseas for extending legal protection to access control technology, which help curb the problems of pirated viewing in the pay television industry. Australia and New Zealand passed new legislations in 2006 and 2008 respectively on technological protection measures (TPM) for copyright items, one of which concerns the conditional access system of pay television services. Among other things, Australia and New Zealand have introduced both civil and criminal penalties for manufacturing, importing, selling or dealing with devices circumventing TPM, but only civil actions are applicable against end users of unauthorized decoders used for domestic purposes. In the United States, the act of decrypting pay television transmissions without the consent of the transmitting party has also been criminalized under the copyright law, but civil actions are commonly pursued in practice. For the European Union (EU), its Conditional Access Directive remains the cornerstone EU legislation for pay television and has been transposed by the Member States in general. Each EU Member State is required to take the measures necessary to prohibit various commercial activities in relation to illicit devices. With all these international efforts, we note that the problem of pirated viewing of pay television service seems to be subsiding.

3. Locally, the problem of pay television piracy has also reduced by a large extent. Back in 2003 - 2004, the then Office of the Telecommunications Authority (OFTA) and the Police mounted 19 raids against illegal sale of unauthorised decoders, and the number of persons arrested or invited to assist in further investigation amounted to 78. However, in the past three years, the Office of the Communications Authority has not received any report about availability of unauthorised decoders nor operators' complaint in relation to pirate viewing of all three domestic pay television programme service (i.e. services by Hong Kong

Cable TV Limited, PCCW Media Limited and TVB Pay Vision Limited). Pay television operators have also availed of the advanced conditional access technologies to ensure that only subscribers who have paid the subscription fees have access to the service. In particular, the upgrade by Hong Kong Cable TV Limited of its conditional access system in 2009 has proved to deter effectively pirate viewing of its pay television service. Indeed, as a result of the introduction of this new technology, we observe that the piracy syndicates providing illicit decoders in the local market have subsided in recent years.

Item 2 Issues relating to the Broadcasting Authority

At the Panel meeting on 12 March 2007, Members discussed issues concerning the bringing in of more talents with different backgrounds to the then Broadcasting Authority (BA) and the yardsticks of the BA in imposing sanctions.

2. As Members may recall, the Communications Authority (CA) has since 1 April 2012 replaced the BA and the Telecommunications Authority to become a unified regulatory body tasked with overseeing the broadcasting and telecommunications sectors. The CA members represent a strong pool of renowned experts from the broadcasting and telecommunications sectors, as well as legal, accounting, administration and other professions, enabling the CA to benefit from wealth of experience and expertise. A copy of the press release on the appointments to the CA issued in March 2012 is attached.

3. As regards yardsticks for imposing sanctions, we wish to point out that since its taking over of the BA's functions, the CA has continued to handle complaints about television and radio broadcasting in accordance with the provisions stipulated in the Broadcasting (Miscellaneous Provisions) Ordinance (Cap. 391) and impose, in those substantiated cases, appropriate sanctions after taking into account a host of factors, including the nature and severity of the breach, the frequency of the breach, mitigating factors, precedent cases and any other relevant circumstances. Moreover, being one of its statutory functions, the CA will continue to secure proper standards of television and sound broadcasting programme contents that are acceptable to the community, regularly review its Codes of Practice on programme standards respectively for television and sound broadcasting services to ensure that they reflect the community standards and changes in audience expectations, provide adequate safeguards for children and youths, and facilitate the broadcasters' needs without imposing unnecessary regulatory burden on them.

Item 3 Progress in the implementation of digital terrestrial television (DTT) broadcasting in Hong Kong

At the Panel meeting on 11 June 2007, the Administration was requested to provide an estimate on the economic benefits arising from the analogue switch-off in due course.

2. Since then, we have regularly reported to the Panel on the implementation progress of DTT broadcasting in Hong Kong on 11 May 2009, 14 December 2009, 10 January 2011 and 12 March 2012. In June 2011, we also issued a Legislative Council Brief informing Members of the Government's decision to defer the working target of analogue switch-off to end 2015 having regard to the latest circumstances including the DTT network coverage and penetration rate.

3. Regarding the economic benefits arising from analogue switch-off, it depends on a number of factors including frequency co-ordination with the Mainland authorities, frequency planning after analogue switch-off as well as the prevailing market situation. Given the uncertainties involved, it is premature to come up with a reliable estimate of the economic benefits arising from analogue switch-off at this stage. Nevertheless, in the run-up to analogue switch-off, we will be pleased to update Members of the related developments and provide an estimate of the economic benefits involved when we are in a position to do so.

Item 6 Progress report on the manpower arrangement of Radio Television Hong Kong (RTHK)

At the Panel meeting on 9 January 2012, the Administration was requested to report progress of RTHK's on-going promotion and recruitment exercises for the Programme Officer (PO) grade to the Panel at an appropriate time.

Promotion exercises

2. RTHK has completed the first round of promotion exercises for the PO grade in 2011 and commenced the promotion exercises in 2012. Since the resumption of promotion exercises in March 2011, RTHK has launched a total of 43 promotion exercises for vacancies of specific work types at various promotion ranks of the PO grade. In accordance with established procedures, promotion boards were formed to consider eligible officers. As a result of these promotion exercises, 87 PO grade officers were recommended for substantive promotion or acting appointment including those to the directorate ranks of Deputy Director of Broadcasting, Assistant Director of Broadcasting and Controller (Broadcasting Services).

Recruitment exercises

3. Between March 2011 and June 2012, RTHK launched a total of 23 recruitment exercises for 88 vacancies in the work types of Set Design, Video Editing, Library/Archive, Chinese News, Chinese Radio Programmes, TV and New Media Programmes, Media Management, Cameraman, Lightingman, Soundman, Animation and Graphic Design, English News, English Radio Programmes, Make-up and Costume, Studio and Outside Broadcasting Services, and Production Resources & Scenic.

4. As at 30 June 2012, over 17 000 applications have been received. Six recruitment exercises involving 24 vacancies have been completed, with 18 (75%) new recruits being RTHK Non-Civil Service Contract (NCSC) staff immediately before appointment. With the successful completion of these exercises, we expect the number of NCSC positions to drop by about the corresponding extent. Having regard to the current progress of processing the applications received, the 17 remaining recruitment exercises involving 64 vacancies are expected to be completed by end of 2012.

5. Of the total of 23 recruitment exercises mentioned above, four of them were launched for filling 10 promotion rank vacancies at Senior

Programme Officer and PO level for the English Radio Programmes and English News and Current Affairs work types as no suitable officers could be identified from internal promotion.

6. RTHK will continue to conduct recruitment and promotion exercises to fill vacancies arising from natural wastage and organizational developments in the normal manner.

Press Releases

Government announces appointments to Communications Authority

The Government today (March 16) announced the appointment of the chairperson and members to the Communications Authority (CA) for a term of three years from April 1, 2012 to March 31, 2015. The CA is a unified regulatory body tasked with overseeing the telecommunications and broadcasting sectors. It will be established on April 1, 2012.

Membership of the CA will be as follows:

Chairperson

Mr Ambrose Ho

Vice-chairperson

Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Non-official members

Mr Au Man-ho
Ms Alice Kwok Yim-ming
Mrs Lucia Li Li Ka-lai
Mr Alan Lui Siu-lun
Mr Hubert Ng Ching-wah
Dr Anthony William Seeto Yiu-wai
Dr Carlye Tsui Wai-ling
Mr Adrian Wong Koon-man
Mr Raymond Roy Wong

Official member

Director-General of Communications

Commenting on the appointments, the Secretary for Commerce and Economic Development, Mr Gregory So, said, "The CA will be a high-powered regulator with rather onerous statutory duties and responsibilities. I am most pleased that Mr Ambrose Ho has kindly agreed to accept the appointment as the chairperson of the CA. He has been the Chairperson of the Broadcasting Authority (BA) since December 2008. His appointment to the CA will facilitate the smooth transition of the current regimes into the new CA framework. We are most grateful to Mr Ho for his sterling leadership and commitment to serve.

"We have amongst the CA members a strong pool of renowned experts from the broadcasting and telecommunications sectors, and legal, accounting, administration and other professions. The newly set up CA will benefit much from their wealth of experience and expertise.

"I am confident that under the stewardship of Mr Ho, and the concerted efforts of other members, the CA will rise up to the regulatory challenges ahead in the era of technological advancement and media convergence," Mr So said.

Mr So also took the opportunity to express the Government's gratitude to the members of the BA for their service. "The BA has certainly laid a solid foundation for the new CA in the broadcasting sector," Mr So said.

Brief profiles of the chairperson and non-official members are as follows:

Mr Ambrose Ho (Chairperson)

Mr Ho is a Senior Counsel by profession. He is currently the Chairman of the BA and the Vice-Chairman of the Consumer Council. He has served as the Deputy Chairman of the Telecommunications (Competition Provisions) Appeal Board and the Administrative Appeals Board; and as Chairman of the Air Pollution Control Appeal Board Panel, the Toys and Children's Products Safety Appeal Board Panel and the Buildings Appeal Tribunal Panel.

Mr Au Man-ho

Mr Au is a telecommunications expert. He joined the Office of the Telecommunications Authority on its establishment in 1993. He was Director-General of Telecommunications from August 2004 until his retirement in 2007.

Ms Alice Kwok Yim-ming

Ms Kwok has extensive experience in the media industry. She has worked for a wide range of media organisations including radio, TV and the print media. She has been a member of the BA and the Government's Public Affairs Forum since 2010.

Mrs Lucia Li Li Ka-lai

Mrs Li is an accountant by profession. She was the Director of Accounting Services from October 2003 to January 2009. She is a member of the Public Service Commission.

Mr Alan Lui Siu-lun

Mr Lui has been a member of the BA since December 2010. He is a member of the Commercial Properties Committee of the Hong Kong Housing Authority and the Government's Public Affairs Forum. He has experience in engaging the younger generation in public sector work.

Mr Hubert Ng Ching-wah

Mr Ng is a retired telecommunications practitioner. He has served on the Digital 21 Strategy Advisory Committee, the Hong Kong Trade Development Council and a number of telecommunications-related advisory committees. He has been the Honorary Advisor to the Internet and Telecom Association of Hong Kong (now Communications Association of Hong Kong) since 2000.

Dr Anthony William Seeto Yiu-wai

Dr Seeto has rich experience in the telecommunications industry. He is currently an Executive Committee member of the Communications Association of Hong Kong. He was a member of Government's Telecommunications Users and Consumers Advisory Committee.

Dr Carlye Tsui Wai-ling

Dr Tsui is the Chief Executive Officer of the Hong Kong Institute of Directors. She serves as a member on the Board of

Review (Inland Revenue Ordinance), Chairman of the Council of the Hong Kong Chinese Orchestra and Deputy Chairman of the Board of the Hong Kong Internet Registration Corporation Limited. She was a member of the BA from 2000 to 2007 and has chaired the BA Codes of Practice Committee.

Mr Adrian Wong Koon-man

Mr Wong has served on the BA since 2005. He chairs the Complaints Committee of the BA. He also serves on the ICAC Corruption Prevention Advisory Committee and the Listing Committee of the Stock Exchange of Hong Kong Limited.

Mr Raymond Roy Wong

Mr Wong is a broadcasting veteran. He chaired the Committee on Review of Public Service Broadcasting from January 2006 to March 2007. Mr Wong was a member of the Council of the Hong Kong Baptist University and the Council of the Open University of Hong Kong, and chaired the Mass Communications Training Board of the Vocational Training Council.

The establishment of the CA, by merging the BA and the Telecommunications Authority, aims to meet the challenges arising from technological advancement and media convergence effectively. The CA's executive arm, named the Office of the Communications Authority and headed by the Director-General of Communications, will come into operation on the same day of the establishment of CA.

In recognition of their commitment to community service, an honorarium will be offered for the Chairperson and non-official members of the CA, at \$60,000 and \$20,000 respectively per month.

Ends/Friday, March 16, 2012
Issued at HKT 13:50

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