

**For information**

**Bills Committee on  
Telecommunications (Amendment) Bill 2009**

**Information provided in response to the follow-up actions  
arising from the discussion at the meeting on 5 November 2009**

At the Bills Committee meeting held on 5 November 2009, Members requested the Administration to:

- (a) clarify whether the reception of sound broadcasting services would involve the installation of related facilities in buildings which might require the approval of the Owners Incorporated concerned;
  - (b) consider whether the Chief Executive in Council's "discretion" in respect of the grant of a licence for sound broadcasting services should be lifted under the Telecommunications (Amendment) Bill 2009 (the Amendment Bill); and
  - (c) consider relaxing the criterion on the "benefits to the local broadcasting industry, the audience and the community as a whole" so as to also allow the grant of sound broadcasting licences to specific social/ethnic/religious groups covering a particular locality or region.
2. This note sets out the response of the Administration to the above-mentioned issues.

**Reception of sound broadcasting services**

3. Conventional sound broadcasting services are transmitted by means of analogue systems (Amplitude Modulation (AM) or Frequency Modulation (FM)). FM and AM transmission stations

are established at strategic locations to provide nearly territory-wide coverage. In general, audience may receive AM and FM sound broadcasting services with a portable radio receiver equipped with an integrated antenna. The same will apply to the reception of digital audio broadcast in future. In case of FM radio broadcasting, indoor reception may be assisted by the Communal Aerial Broadcast Distribution System (CABD) which is primarily installed for the reception and distribution of analogue and digital terrestrial television signals and maintained by building management.

### **Chief Executive in Council as licensing authority**

4. Under the existing section 13C(2) of the Telecommunications Ordinance (Cap.106) (the Ordinance), the Chief Executive (CE) in Council already has the power to grant licences for the provision of sound broadcasting services. Clause 3 of the Amendment Bill, in making reference to “exercising the discretion whether to grant a licence under subsection (2)”, only refers to the existing authority of the CE in Council under section 13C(2) of the Ordinance. The Amendment Bill by no means seeks to expand the CE in Council’s existing power. The clause indeed only serves to specify the criteria to which the CE in Council must have regard in exercising the authority as to whether a sound broadcasting licence should be granted under that section. The specification of the assessment criteria for making the licensing decision would enhance the transparency and legal certainty of the sound broadcasting licensing regime.

### **Relaxation of the licensing criterion regarding benefits to the local industry, the audience and the community as a whole**

5. The Amendment Bill seeks to specify a set of licensing criteria to be adopted by the CE in Council for the grant of sound broadcasting licences. This set of licensing criteria is drawn up with reference to local experience in considering broadcasting licence applications as well as overseas best practices.

6. We note some Members’ view in respect of the criterion on “benefits to the local broadcasting industry, the audience and the

community as a whole”. We would like to reiterate that this criterion, as in the case of the other criteria to be stipulated under the Amendment Bill, does not in any way specify any threshold whereby an applicant must meet before it can be granted a licence. Its adoption should not rule out any licence applications to cater for the needs of specific social / ethnic / religious groups covering a particular locality or region. Such applications would be given a fair chance to be considered on its individual merits as in the case of other licence applications, including those providing for territory-wide radio broadcasting services.

Commerce and Economic Development Bureau  
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