

**For information on
11 June 2012**

**Legislative Council Panel
on Information Technology and Broadcasting**

**Applications for Domestic Free Television
Programme Service Licences**

Purpose

This paper reports the progress of processing the three applications for domestic free television programme service licence (the free TV licence applications).

Background

2. City Telecom (HK) Limited, Fantastic Television Limited and HK Television Entertainment Company Limited submitted the free TV licence applications on 31 December 2009, 15 January 2010 and 31 March 2010 respectively. At the Panel meeting held on 22 July 2010, we briefed Members on the framework for processing the free TV licence applications. At the same meeting, the Panel also received views from Members and deputations on these applications.

Statutory Requirements

3. Section 9(2) of the Broadcasting Ordinance (BO) (Cap. 562) provides that the Communications Authority (CA) (or the Broadcasting Authority (BA) before 1 April 2012¹) shall consider applications for domestic free television programme service licence and make recommendations thereon to the Chief Executive (CE) in Council.

4. Section 9(3) of the BO further provides that the CA shall consult the public on the application by publishing a notice in the Gazette stating the name of the applicant and the type of licence sought by the applicant together with such other particulars as the CA thinks fit. Interested members of the public may forward their representations on the

¹ The BA has been replaced by the CA since 1 April 2012. The CA takes over all functions of the BA and is a unified regulatory body tasked with overseeing the broadcasting and telecommunications sectors.

application to the CA by a date specified in the notice, being a date not less than 21 days after the notice is published. The CA shall consider the representations received.

5. Section 10(1) of the BO provides that after considering recommendations made by the CA, the CE in Council may grant a domestic free television programme service licence, subject to such conditions as it thinks fit specified in the licence.

Processing of the Free TV Licence Applications

6. Earlier on, the former BA completed the assessment in accordance with the BO and established procedures, and made recommendations to the CE in Council on the free TV licence applications.

7. As set out in the “Guidance Note for Those Interested in Applying for Domestic Free Television Programme Service Licences in Hong Kong”, the former BA assessed the free TV licence applications in accordance with the following criteria –

- (a) financial soundness and commitment to investment;
- (b) proven managerial and technical expertise;
- (c) the variety, quantity and quality of programmes;
- (d) technical soundness and a satisfactory quality of service;
- (e) speed of service roll-out;
- (f) minimum inconvenience to members of the public;
- (g) benefit to the local broadcasting industry, viewers/customers and the economy as a whole; and
- (h) quality control and compliance.

8. The former BA also took into account the public views received in processing the free TV licence applications. Pursuant to the BO and its consultation guidelines, the former BA published notices on the free TV licence applications on 9 July 2010 in the Gazette, one Chinese newspaper and one English newspaper, and uploaded them onto its website. By the end of the two-month consultation on 8 September 2010, the former

BA received a total of 256 submissions, covering a large number of areas such as the variety and quality of programmes, technical viability, commitment to investment and impact on the broadcasting industry and the viewing audience, etc. The former BA had regard to all views gathered when formulating its recommendations and submitted a summary of such views to the CE in Council for consideration.

9. Since the outcome of the applications will have profound impact on the domestic free television programme service market, the Government has been processing the recommendations submitted by the former BA expeditiously and prudently in accordance with the statutory requirements and established procedures.

10. The CE in Council will take into account all relevant factors and be guided by public interest in deciding whether to grant a licence in each of the free TV licence applications. The outcome will be announced as soon as possible after a decision is made by the CE in Council.

Advice Sought

11. Members are invited to note the content of this paper.

**Commerce and Economic Development Bureau
June 2012**