

立法會
Legislative Council

LC Paper No. CB(4)1091/14-15
(These minutes have been seen
by the Administration)

Ref : CB4/PL/ITB/1

Panel on Information Technology and Broadcasting

Minutes of meeting
held on Monday, 13 April 2015, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

- Members present** : Ir Dr Hon LO Wai-kwok, BBS, MH, JP (Deputy Chairman)
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Cyd HO Sau-lan, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-yea, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon WONG Yuk-man
Hon Claudia MO
Hon NG Leung-sing, SBS, JP
Hon Steven HO Chun-yin
Hon YIU Si-wing
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon Christopher CHEUNG Wah-fung, SBS, JP
Hon SIN Chung-kai, SBS, JP
Dr Hon CHIANG Lai-wan, JP
- Members attending** : Hon LEE Cheuk-yan
Hon IP Kwok-him, GBS, JP
Hon CHAN Yuen-han, SBS, JP
Dr Hon KWOK Ka-ki

Members absent : Dr Hon Elizabeth QUAT, JP (Chairman)
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Public officers attending : Agenda item IV

Commerce and Economic Development Bureau

Miss Susie HO, JP
Permanent Secretary for Commerce and
Economic Development (Communications
and Technology)

Office of the Government Chief Information
Officer

Mr Victor LAM, JP
Acting Government Chief Information Officer

Miss Joey LAM, JP
Deputy Government Chief Information Officer
(Policy and Community)

Mr Kingsley WONG
Chief Systems Manager (Digital Inclusion)

Agenda item V

Commerce and Economic Development
Bureau

Mr Gregory SO, GBS, JP
Secretary for Commerce and Economic
Development

Miss Susie HO, JP
Permanent Secretary for Commerce and
Economic Development (Communications and
Technology)

Mr Joe WONG, JP
Deputy Secretary for Commerce and Economic
Development (Communications and
Technology)

Mr Edward TO
Principal Assistant Secretary for Commerce
and Economic Development (Communications
and Technology)A

Communications Authority

Mr Ambrose HO
Chairman

Office of the Communications Authority

Miss Eliza LEE, JP
Director-General of Communications

Ms Elizabeth TAI
Deputy Director-General (Broadcasting)

Mr Tony LI
Assistant Director (Support)

Clerk in attendance : Ms YUE Tin-po
Chief Council Secretary (4)3

Staff in attendance : Mr Joey LO
Senior Council Secretary (4)3

Ms Anki NG
Council Secretary (4)3

Action

The Deputy Chairman took over the chair in the absence of the Chairman who was unable to attend the meeting.

I. Confirmation of minutes of meeting

(LC Paper No. CB(4)651/14-15) -- Minutes of meeting held on
9 February 2015)

2. The minutes of the meeting held on 9 February 2015 were confirmed.

II. Information papers issued since the last meeting

(LC Paper No. CB(4)641/14-15(01) -- Submission from Movie Producers and Distributors Association of Hong Kong Limited dated 3 March 2015 on the development of Hong Kong's film industry (Chinese version only)

LC Paper No. CB(4)641/14-15(02) -- Letter from Hon TANG Ka-piu dated 12 March 2015 on the development of cinemas (Chinese version only)

LC Paper No. CB(4)725/14-15(04) -- Letter from the Administration dated 1 April 2015 on application of HK Television Entertainment Company Limited for a domestic free television programme service licence)

3. Members noted that the above papers had been issued for the Panel's information.

III. Date of next meeting and items for discussion

(LC Paper No. CB(4)725/14-15(01) -- List of outstanding items for discussion

LC Paper No. CB(4)725/14-15(02) -- List of follow-up actions)

Regular meeting on 11 May 2015

4. Members noted that the next regular Panel meeting would be held on Monday, 11 May 2015 at 2:30 pm to discuss the following items:

(a) Annual report on Cyberport; and

(b) Progress update on the introduction of Customer Complaint Settlement Scheme.

IV. Progress report on digital inclusion

(LC Paper No. CB(4)725/14-15(07) -- Administration's paper on progress report on digital inclusion

LC Paper No. CB(4)725/14-15(08) -- Paper on digital inclusion prepared by the Legislative Council Secretariat (Updated background brief)

LC Paper No. CB(4)724/14-15(01) -- Administration's paper on progress report on digital inclusion (power-point presentation material)
(Chinese version only)
(tabled at the meeting and subsequently issued via email on 14 April 2015)

Presentation by the Administration

5. At the invitation of the Deputy Chairman, Chief Systems Manager (Digital Inclusion) ("CSM(DI)") gave a power-point presentation on the progress of the Government's digital inclusion initiatives. Details of the presentation were set out in the Administration's papers (LC Papers Nos. CB(4)724/14-15(01) and CB(4)725/14-15(07)).

Discussion

Strategy and objectives of the digital inclusion initiatives

6. Mr Charles Peter MOK enquired whether any review had been conducted on the strategy, objectives and direction for the digital inclusion initiatives for meeting the needs of the target groups. Permanent Secretary for Commerce and Economic Development (Communications and Technology) ("PSCED(CT)") advised that the Administration would continue to liaise with the non-governmental organizations ("NGOs") on the needs of the target groups with a view to implementing digital inclusion initiatives to render support to such groups.

7. Acting Government Chief Information Officer ("GCIO") supplemented that the Task Force on Digital Inclusion under the Digital 21 Strategy Advisory Committee advised the Government on the goals and objectives for facilitating the delivery of the desired outcomes for the digital

inclusion initiatives. In February 2014, the Office of the Government Chief Information Officer had organized an event known as "當 NGO 遇上 IT 人" for social service organizations to have short one-on-one meetings with information technology ("IT") companies to germinate ideas that could leverage information and communications technology ("ICT") to enhance service delivery.

Internet Learning Support Programme

8. Noting the alleged irregularities in the implementation of the Internet Learning Support Programme ("ILSP") in the past few years, Mr WONG Yuk-man expressed concern about the way forward for ILSP, in particular the handling of cumulative doubtful debts and bad debts resulting from delinquent instalment payments for computer equipment and broadband services. Mr Charles Peter MOK shared a similar concern. PSCED(CT) advised that the Implementers of ILSP would review all the delinquent cases on an individual basis. Families with genuine financial problems would be followed up by social workers, and their debts could be written off if deemed necessary. The Implementers had put in place appropriate measures and processes to handle such cases and minimize similar occurrences.

9. In response to Mr YIU Si-wing's enquiry about the computer donation initiative organized by the Implementers of ILSP to solicit brand new computers for families in financial need, Deputy Government Chief Information Officer (Policy and Community) ("DGCIO(PC)") advised that apart from brand new computers, the Implementers of ILSP would also solicit usable second-hand computers disposed of by business organizations and individuals for families in need.

Digital inclusion mobile applications for underprivileged groups

10. Mr WONG Yuk-man enquired about measures taken by the Administration to identify target underprivileged groups that had not been included in the two rounds of the "Funding Scheme for the Development of Digital Inclusion Mobile Applications" ("the Funding Scheme"). He also enquired about the promotional efforts made by the Administration to increase download counts of the mobile applications ("apps"). GCIO advised that while the Funding Scheme had already benefited a number of underprivileged groups, NGOs had also provided suggestions on other target underprivileged groups that they considered beneficial to be included in the Funding Scheme. The Administration would continue to co-operate and liaise with the NGOs to explore ways to promote awareness and use of the apps to the underprivileged groups.

11. Mr YIU Si-wing enquired whether upgrading of the mobile apps were necessary after funding had been approved under the Funding Scheme and if so, the party responsible for the upgrading cost. He also enquired about the criteria and the costs for selecting the five out of 41 proposals for developing mobile apps in the second round of the Funding Scheme in 2014-2015. DGCIO(PC) advised that under the funding agreement, the service organizations were responsible for service upgrade and maintenance and the costs arising, and assistance would be provided as necessary. The five proposals in the second round of the Funding Scheme were selected by an Advisory Committee comprising veteran IT practitioners and representatives of special need groups having regard to their practicality, technical feasibility, originality, functionality and cost-effectiveness.

12. Mr YIU Si-wing enquired about the party responsible for the selection of developers for the mobile apps. DGCIO(PC) advised that the developers were selected by the relevant service organizations in accordance with an open tendering process. The organizations receiving the funding were required to provide the Administration with post implementation reports after the launch of such apps. Mr YIU urged the Administration to monitor the selection process of the developers.

Outreaching services for institutionalized and "hidden" elderly

13. Noting the difficulties encountered by service recipients in using the mobile apps, Mr TAM Yiu-chung enquired about measures taken by the service organizations to assist the recipients, in particular the elderly, in using the apps and to ensure information security for such recipients. GCIO advised that the Administration had commissioned three elderly service organizations, namely the Po Leung Kuk, the Evangelical Lutheran Church Social Service — Hong Kong and the Hong Kong Sheng Kung Hui Welfare Council Limited, to implement ICT outreach programmes for institutionalized and "hidden" elderly. With relevant expertise and service networks, the three selected organizations would reach out to these seniors with tailor-made activities to help them use tablets and arouse their interests in ICT. The Administration supported the development of a dedicated portal (www.e123.hk) for the elderly to facilitate their access to online information and services surrounding their needs and interests through an elderly-friendly interface. GCIO also advised that the developers and the service organizations were reminded of information security and privacy issues in designing the mobile apps and conducting seminars on using the apps for the recipients.

14. Referring to Annex B to the Administration's paper (LC Paper No. CB(4)725/14-15(07)) on the download counts for "eElderly Activity Search" in the first round of the Digital Inclusion mobile apps, the Deputy Chairman expressed concern about the low percentage (about 0.4%) of the relevant download counts against the elderly population in conducting search activities in local elderly centres. He enquired about measures taken by the Administration to promote such apps for the elderly and suggested that the local elderly centres could assist in the promotion in this respect. GCIO advised that the Administration had promoted the mobile apps through relevant service organizations and at IT events such as the Digital Inclusion Mobile App Exhibition held in the current month in the Hong Kong Digital Life Carnival. The Administration would continue to step up promotional efforts to introduce such apps to the elderly.

Web Accessibility Campaign

15. In response to Mr WONG Yuk-man's concern about efforts put in by the Administration to promote and encourage adoption of web accessibility by private organizations, GCIO advised that the Administration would continue to step up efforts to foster awareness of the web accessibility campaign. Under the Web Accessibility Recognition Scheme, participating organizations were provided with free assessment and advisory services to help them understand and meet the technical requirements. The Administration also sought to reinforce good practices of these organizations through prominent recognition and publicizing their achievements to entice emulation by others. The number of websites and mobile apps which were awarded in the recognition scheme this year had increased by 50% when compared to last year.

V. Issues relating to the non-renewal of domestic free television programme service licence of Asia Television Limited

(LC Paper No. CB(4)725/14-15(03) -- Letter from the Administration dated 1 April 2015 on Asia Television Limited's application for renewal of its domestic free television programme service licence

- LC Paper No. CB(4)725/14-15(05) -- Letter from Hon Charles Peter MOK dated 1 April 2015 on issues relating to the non-renewal of domestic free television programme service licence of Asia Television Limited (Chinese version only)
- LC Paper No. CB(4)725/14-15(06) -- Letter from Hon WONG Yuk-man dated 2 April 2015 on issues relating to the non-renewal of domestic free television programme service licence of Asia Television Limited (Chinese version only))

Presentation by the Administration

16. At the invitation of the Deputy Chairman, Secretary for Commerce and Economic Development ("SCED") briefed members on the Chief Executive ("CE") in Council's decision on the non-renewal of Asia Television Limited ("ATV")'s domestic free television programme service ("free TV") licence. SCED advised that pursuant to section 8(1)(a) of Schedule 4 to the Broadcasting Ordinance (Cap. 562) ("BO"), a notice period of 12 months had to be served on the licensee if the CE in Council decided that the free TV licence of the licensee should not be renewed. In this regard, ATV would have its current licence originally expiring on 30 November 2015 be extended to 1 April 2016. The management of ATV had to comply at all times with all relevant statutory requirements under the BO and the provisions in its free TV licence until the expiry of the validity of its licence. The Government would set up a task force to see to the resolution of various issues that might arise from the non-renewal of ATV's free TV licence. The task force would coordinate implementation of necessary contingency measures during the transitional period to minimize any adverse impact that might occur.

17. As regards the view expressed by some members of the public that the CE in Council should have taken a decision in respect of ATV's renewal application last year immediately upon the Communications Authority ("CA")'s submission of its recommendations, SCED advised that over the past few months, the Government had been processing ATV's application expeditiously. Pursuant to the Court's judgement handed down in December 2014 and legal advice, since it was necessary for the purpose of legal procedural fairness to give ATV reasonable time to submit a concrete

restructuring programme on its "planned transformation" as referred to in the letter from ATV's court-appointed managers to the CE in Council in January 2015, the CE in Council had earlier imposed a deadline of 31 March 2015 for ATV to submit concrete proposals. However, ATV had failed to do so by the deadline. Based on all relevant factors and available information, the CE in Council had decided that ATV's licence should not be renewed.

18. Regarding the Government's invitation to Radio Television Hong Kong ("RTHK") to provide two analogue TV channels after 1 April 2016 to give viewers an alternative choice as part of the contingency measures during the transitional period, SCED advised that the Government recognized that the analogue TV service to be provided by RTHK as a public service broadcaster was not a full replacement of those provided by a commercial TV service broadcaster. This was simply a temporary measure to provide an alternative to around 480,000 households which had not yet switched to Digital Terrestrial Television ("DTT") services. In doing so, considerable efforts, including manpower and facilities, legal and financial arrangements, would be required for RTHK to provide such services. The Administration would continue to liaise with and provide the necessary assistance to RTHK in this regard.

19. SCED further advised that with the granting of free TV licence to Hong Kong Television Entertainment Company Limited ("HKTVE") by the CE in Council on 1 April 2015, more programming choices would be provided. HKTVE's new TV service would be delivered via fixed network. Its integrated Cantonese channel and integrated English channel would commence within 12 months and 24 months respectively after the grant of licence.

20. The Chairman of the Communications Authority ("C of CA") advised Members that the CA would decide on the approach to the assignment of spectrum vacated by ATV before expiry of its licence in accordance with applicable laws and procedures and the Radio Spectrum Policy Framework ("SPF") promulgated by the Government in April 2007. The CA had given notice to ATV on 1 April 2015 that the CA was considering withdrawal of the spectrum assigned to ATV following the expiry of its free TV licence on 1 April 2016. The CA had a statutory duty under the Telecommunications Ordinance (Cap.106) ("TO") to promote the efficient allocation and use of the radio spectrum as a public resource of Hong Kong. Any parties interested in the use of the vacated spectrum would need to satisfy the CA that they were in a ready position to use the spectrum assigned to them in an efficient and effective manner for the benefit of the viewing public.

Discussion

Provision of analogue free television programme service

21. Dr CHIANG Lai-wan enquired whether the CE in Council would consider renewing the free TV licence of ATV if new investors were identified and were able to provide financial support to ATV. Ms Cyd HO shared a similar view and expressed concern about the provision of analogue TV service by RTHK given the limitation of its manpower resources and facilities and its role as public service broadcaster, as well as its limited experience in the production of entertainment TV programmes. SCED advised that the non-renewal decision was irreversible as the CE in Council had already considered all relevant factors, including the financial condition and operational capability of ATV, as well as available information.

22. Noting that the CA had submitted its recommendation on the renewal application of ATV's free TV licence in November 2014, Mr Charles Peter MOK enquired whether the CA had considered any contingency measures before the announcement of the CE in Council's decision for not renewing ATV's licence. C of CA advised that as approval-in-principle ("AIP") had been granted by the CE in Council to the free TV licence applications of two other operators, namely HKTVE and Fantastic Television Limited ("FTV") in October 2013, and in fact the CE in Council had formally grant the licence to HKTVE on 1 April 2015, the CA considered that the new licensee(s) would be able to provide choices of TV services to the viewing public.

23. Mr WONG Yuk-man expressed concern about the possibility that analogue TV service would be provided by only one free TV licensee, i.e. Television Broadcasts Limited ("TVB"), if ATV terminated its service before 1 April 2016. In addition, the application for renewal of the free TV licence of TVB was yet to be approved by the CE in Council while HKTVE could only transmit signals via the fixed broadband network under its licence. These would create uncertainty to the provision of analogue TV services during the transitional period. Ms Claudia MO, Mr LEE Cheuk-yan and Ms CHAN Yuen-han shared a similar view. SCED advised that the CE in Council would determine the renewal application of TVB in due course while HKTVE would start to provide programmes within 12 months after the grant of its licence on 1 April 2015.

24. Mr MA Fung-kwok enquired about the operation of RTHK after taking over from ATV on its termination of service and measures to be taken by the Administration if ATV refused to provide the transmission stations and facilities to RTHK for operation of analogue TV service. Permanent Secretary for Commerce and Economic Development (Communications and

Technology) ("PSCED(CT)") advised that RTHK would duplicate the programmes from its digital format for broadcasting in analogue format after taking over the vacated analogue spectrum from ATV. The Government might terminate the leases concerning the transmission stations of ATV.

25. Mr LEUNG Kwok-hung and Mr YIU Si-wing enquired about measures to be taken by the Administration if ATV terminated its service before 1 April 2016. SCED advised that the Government would set up a task force to see to the resolution of various issues that might arise from the non-renewal of ATV's free TV licence. PSCED(CT) supplemented that there were statutory provisions for revoking a free TV licence under the BO if a licensee was found to be in serious breach of its licence conditions, including non-compliance with the service provision requirements.

26. Referring to section 9 of Schedule 4 to the BO, Mr Paul TSE enquired whether the CE in Council would direct the Financial Secretary to purchase the property of ATV to minimize any adverse impact on the provision of free TV service during the period of validity of its licence. SCED advised that the CE in Council had reserved its rights to invoke the power under section 9 of Schedule 4 to the BO in his letter to ATV on 1 April 2015. The Government would coordinate implementation of necessary contingency measures during the transitional period to minimize any adverse impact that might occur.

Assignment of spectrum of Asia Television Limited

27. Mr Steven HO, Ms Claudia MO and Mr CHAN Chi-chuen enquired about the reasons for inviting RTHK to take over the analogue spectrum vacated by ATV after the termination of its service, and whether it was financially worthwhile to continue analogue broadcasting for about four years only. SCED advised that the target date for switching off analogue TV services ("ASO") was 2020. Taking into account the time required for a TV licensee to apply for the vacated analogue spectrum and to produce new programmes in analogue format, the Administration considered that it was more efficient to invite RTHK to take over the vacated analogue spectrum of ATV.

28. In response to Ms Claudia MO's enquiry about the deferred target date for ASO in 2020, SCED advised that the Administration would continue to coordinate with the Mainland authorities in the coming years with a view to achieving ASO by 2020. A review on the ASO would be conducted by the Administration in 2017-2018.

29. In response to Mr SIN Chung-kai's enquiry about the allocation of digital spectrum vacated by ATV on expiry of its licence, C of CA explained again that the CA was considering the withdrawal of all the spectrum currently held by ATV following the expiry of its free TV licence, and the CA would decide on the assignment arrangements for the spectrum vacated by ATV taking into account inter-alia the TO, the CA's statutory duties under the statute and the SPF. Given the CA's statutory duty to promote the efficient use and allocation of spectrum, the vacated spectrum would be assigned to those which were in a ready position to use the spectrum effectively and efficiently for the provision of licensed free TV, i.e. those already holding valid free TV licences. If HKTVE, the licence of which was premised upon the use of a fixed network as its means of transmission, wished to change its transmission mode to spectrum, it would need to apply to the CA for its prior approval according to the relevant licence conditions. The digital spectrum vacated by ATV comprised 1.5 digital multiplexes. In the event that the CA decided to assign spectrum to HKTVE, and FTV upon formal licence grant by the CE in Council, the assignments would take up about one digital multiplex, leaving about half a digital multiplex available for assignment to other free TV licensees.

Applications for domestic free television programme service licences

30. Ms Claudia MO and Mr SIN Chung-kai enquired about the progress of the processing of applications for free TV licences and the renewal application of TVB. C of CA advised that the application for renewal of free TV licence of TVB and issue of free TV licence of FTV were being considered by the CE in Council. As regards Hong Kong Television Network Limited, the CA was examining its application for a free TV licence in accordance with applicable law and established procedures and criteria.

31. Dr KWOK Ka-ki enquired about the period of analogue service provided by RTHK after taking over the analogue spectrum from ATV and whether any application for free TV licence could be made by interested parties before 1 April 2016. SCED advised that the taking over of ATV's analogue spectrum by RTHK for providing analogue service was simply a temporary measure to provide an alternative to around 480,000 households which were still using analogue TV sets after 1 April 2016. There was no pre-set limit on the number of free TV licences to be issued under the BO. Any interested and eligible organizations could submit applications to the CA for such licences. The CA would assess all applications in accordance with the BO and established procedures and then submit its recommendations to the CE in Council.

Motion

32. Ms Claudia MO proposed the following motion:

"本事務委員會促請當局妥善處理亞洲電視不獲續牌事宜，包括盡快把未來騰空的電視頻譜重新分配予有意營運免費電視的申請者，為本地免費電視市場引入新競爭，善用大氣電波。"

(Translation)

"That this Panel urges the authorities to handle properly the issues relating to the non-renewal of Asia Television Limited's licence, including re-assigning expeditiously the telecommunications spectrum to be vacated in future to the applicants who intend to operate free television programme service, so as to introduce new competition into the local free television market and optimize the use of airwaves."

33. The Deputy Chairman considered that the proposed motion was directly related to the agenda item under discussion. As no members disagreed to deal with the motion, the Deputy Chairman informed the meeting that the motion would be proceeded with. The Deputy Chairman put the motion to vote. The Deputy Chairman announced that nine members voted for the motion, no member voted against the motion and one member abstained from voting. The Deputy Chairman declared that the motion was passed.

(Post-meeting note: The wording of the motion moved by Ms Claudia MO was circulated to members vide LC Paper No. CB(4)778/14-15 on 14 April 2015.)

VI. Any other business

34. There being no other business, the meeting ended at 4:28 pm.