# 立法會 Legislative Council

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## Panel on Information Technology and Broadcasting

# **Meeting on 14 November 2016**

Updated background brief on the progress of the implementation of digital terrestrial television broadcasting in Hong Kong

## **Purpose**

This paper sets out the background of the implementation of digital terrestrial television ("DTT") broadcasting in Hong Kong, and summarizes the views and concerns previously expressed by Members.

# **Background**

- 2. Pursuant to the announcement of the implementation framework of DTT broadcasting announced by the Administration in 2004, the two domestic free television programme service licensees <sup>1</sup> had been assigned three digital multiplexes and launched DTT services on 31 December 2007. With the construction of 29 DTT transmission stations by the licensees, the DTT network coverage had reached 99% of the local population and the DTT take-up rate had reached over 80% of the total households by early 2015.
- 3. Following the deliberation of the Executive Council on 22 September 2009, the Administration announced, among other matters, that Radio Television Hong Kong ("RTHK") would serve as the public service broadcaster ("PSB") for Hong Kong. Resources and frequency spectrum were allocated so that RTHK would develop an all-round broadcasting service to the community.

The two licensees at that time were Asia Television Limited ("ATV") and Television Broadcasts Limited. ATV's domestic free television programme service licence expired on 1 April 2016.

- 4. In 2010, RTHK took forward various new development initiatives including DTT broadcasting as part of its expanded scope of services set out in the RTHK Charter signed between the Administration and RTHK in August 2010. Since then, RTHK has been establishing the necessary DTT transmission network, including renting suitable hilltop transmission sites, purchasing transmitters and equipment, and conducting technical trials. RTHK has established transmission facilities on seven hilltop sites, and has also increased its productions of High Definition television ("HDTV") programmes from about 50 hours to not less than 200 hours per year as from 2011-2012 to prepare for the launch of HDTV channel in future.
- 5. By March 2014, RTHK's DTT network coverage had reached about 75% of Hong Kong's population. With the endorsement of the Panel on Information Technology and Broadcasting ("the ITB Panel") on 10 March 2014, the Administration sought the Finance Committee's approval on 11 July 2014 for funding of \$64.2 million to install 22 fill-in stations by phases by RTHK from April 2015 to the first quarter of 2019. It is expected that with the completion of the 22 fill-in stations, RTHK's DTT network coverage would be expanded to almost the whole of Hong Kong's population comparable to the DTT services being offered by the commercial free television ("TV") stations.
- 6. When the Administration promulgated the implementation framework for DTT broadcasting in July 2004, the Administration planned to switch-off analogue TV service at end 2012, i.e. five years after the commencement of simulcast of DTT and analogue TV services. The Administration took the view that the analogue switch-off could vacate spectrum to relieve the ever increasing demand for high value-added mobile telecommunications services, such as mobile broadband services. In June 2011, having regard to the development and market situation, the Administration deferred the analogue switch-off to end 2015. In January 2015, the target date for analogue switch-off was further deferred to end 2020.
- 7. At the ITB Panel meeting held on 11 January 2016, members supported the Administration's funding proposal of \$15.53 million for procurement of additional production equipment and system for further developing the existing DTT service of RTHK.

#### **Previous discussion**

#### Panel on Information Technology and Broadcasting

8. The Administration had briefed the ITB Panel on the implementation of DTT broadcasting in Hong Kong and the development of DTT by RTHK on

4 February 2013 and 11 January 2016 respectively in the previous term. On 9 December 2013 and 10 March 2014, the Administration sought the ITB Panel's support for funding provision for RTHK to set up 22 fill-in stations to support the provision of DTT services. The Administration also informed the ITB Panel of its plan on analogue switch-off at the meeting held on 12 January 2015. Members generally supported the Administration's policy of implementation of DTT broadcasting. At the ITB Panel meeting held on 11 January 2016, the Administration updated the ITB Panel on RTHK's DTT service and sought its agreement on additional funding for procurement of equipment and systems.

# Measures to improve Digital Terrestrial Television take-up rate

- 9. At the ITB Panel meeting held on 4 February 2013, members considered that programme contents of TV licensees were important to the quality of DTT service and hence the take-up rate. Members noted the slow progress of DTT take-up rate and asked what practical steps the Administration had taken to increase the rate. The Administration advised that it would conduct a joint survey with broadcasters and consider overseas practices to identify the key factors that might help boost take-up. The Administration would also enhance publicity on the benefits of DTT to encourage the viewing public to switch over.
- 10. At the ITB Panel meeting held on 10 March 2014, the Administration further advised that RTHK would further promote the signal reception methods, build more fill-in stations to improve DTT signal transmission, and enhance its publicity efforts and promotion strategies to tie in with the progress of the network roll-out of RTHK's DTT service.

Measures to improve signal reception and encourage switching to Digital Terrestrial Television service

11. At the ITB Panel meeting held on 12 January 2015, some members enquired about the measures taken to assist the public to switch from using analogue TV to DTT, including whether technical assistance and financial subsidies would be provided to vulnerable groups (such as the elderly or low-income families) to purchase DTT compatible television sets or set-top boxes. The Administration commented that the price level of DTT compatible TV sets was dropping and, according to experience, broadcasting mega sports events would attract people to switch to digital TV sets; many analogue TV sets currently in use might reach the end of their useful lives and this might help speed up the switching process.

12. The Administration supplemented that in some overseas jurisdictions subsidy schemes were available for families and individuals in need; technical advice and assistance had been provided for elderly people. The Administration would make reference to those measures when conducting review of analogue switch-off working target in 2017-2018 and as necessary.

## Digital Terrestrial Television service of Radio Television Hong Kong

- 13. At the ITB Panel meetings held on 9 December 2013 and 10 March 2014, members enquired how RTHK would set up transmission facilities for its DTT service. The Administration advised that under the existing licensing conditions, commercial broadcasters were required to share their transmission facilities with other DTT broadcasters, including RTHK. RTHK rented space, electricity supply and transmission antennae, etc. from the commercial broadcasters.
- 14. The Administration also advised that the existing transmission facilities were installed at hilltop sites which occupied Government land. Members enquired whether RTHK could use those sites rent-free. The Administration advised that it would negotiate appropriate terms for renewal of the commercial TV broadcasting licences before their expiry but even if RTHK was able to use those sites rent free, RTHK would still have to pay for the use of electricity and transmission facilities at the hilltop sites. The Administration further advised that it could exercise certain statutory powers to purchase DTT transmission facilities and equipment owned by a commercial broadcaster if its broadcasting licence was not renewed.
- 15. Some members enquired about the impact of RTHK's DTT service on the TV broadcasting industry. The Administration advised that RTHK was a public service broadcaster and was not operated on a commercial basis, the nature of RTHK's services was different from, and not in direct competition with, those provided by commercial broadcasters. The Administration further assured members that RTHK would provide quality TV services that were not adequately provided by commercial TV broadcasters.
- 16. At the ITB Panel meeting held on 10 March 2014, members were informed that RTHK's DTT transmission network would be used exclusively by RTHK and would not be rented to or shared with other broadcasters. The Administration explained that, while the signal format used by RTHK was the same as that used by the commercial broadcasters, the frequency band of RTHK channels was different from those of the commercial broadcasters.
- 17. Some members also raised concerns whether RTHK had sufficient resources to produce programmes for DTT services. The Administration

assured members that resources would be provided for RTHK for production of digital programmes and RTHK would progressively increase its transmission hours.

## Analogue switch-off

- 18. At the ITB Panel meeting held on 12 January 2015, members noted that the target date for switching off analogue television services would be deferred to 2020 and the working target should be reviewed in 2017-2018.
- 19. Members generally supported the deferral of the analogue switch-off date, as the Administration explained that the deferral would provide more time for the improvement of coverage in remote areas as well as the penetration rate of DTT services.
- 20. Some members, however, urged the Administration to speed up the DTT switching process and to coordinate with the Mainland authorities with a view to bringing forward the target date for analogue switch-off. The Administration advised that regular liaison had been held with the Mainland authorities on analogue switch-off, and it considered that bringing forward the date unilaterally would cause disturbance to existing viewers and might not result in more beneficial use of spectrum for high value-added mobile communications services.

# Latest position

21. The Administration will brief the ITB Panel on 14 November 2016 on the latest progress of implementation of DTT broadcasting services.

## **Relevant papers**

22. A list of the relevant papers with their hyperlinks is at: <a href="http://www.legco.gov.hk/yr12-13/english/panels/itb/papers/itb0204cb4-364-6-e.pdf">http://www.legco.gov.hk/yr12-13/english/panels/itb/papers/itb0204cb4-364-6-e.pdf</a> <a href="http://www.legco.gov.hk/yr12-13/english/panels/itb/minutes/itb20130204.pdf">http://www.legco.gov.hk/yr12-13/english/panels/itb/papers/itb020130204.pdf</a> <a href="http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-196-6-e.pdf">http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-196-6-e.pdf</a> <a href="http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb20131209.pdf">http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb20131209.pdf</a> <a href="http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20140310.pdf">http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20150112-ctbcr919-e.pdf</a> <a href="http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20150112.pdf">http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20150112.pdf</a> <a href="http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20160111cb4-436-5-e.pdf">http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20150112.pdf</a> <a href="http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20160111cb4-436-5-e.pdf">http://www.legco.gov.hk/yr14-15/english/panels/itb/papers/itb20160111cb4-436-5-e.pdf</a> <a href="http://www.legco.gov.hk/yr15-16/english/panels/itb/papers/itb20160111cb4-436-5-e.pdf">http://www.legco.gov.hk/yr15-16/english/panels/itb/papers/itb20160111cb4-436-5-e.pdf</a>

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