# For discussion on 16 March 2020

# Legislative Council Panel on Information Technology and Broadcasting

#### **Update on the Implementation of Full Digital Television Broadcast**

### **Purpose**

This paper aims to brief Members on the progress and latest position of the implementation of full digital television (TV) broadcast in Hong Kong.

#### **Background**

- 2. At the meeting of the Panel held in February 2019, the Commerce and Economic Development Bureau (CEDB) reported to Members<sup>1</sup> that Hong Kong would switch off analogue TV services (or ASO in short) on 30 November this year (2020) (at 23:59) and implement full digital TV broadcast on 1 December (at 00:00). The reason for implementing such measure is that digital TV broadcast out-performs analogue TV broadcast in terms of picture quality and more importantly, valuable spectrum can thus be vacated to address the increasing demand for spectrum for high value-added mobile telecommunications services.
- 3. The CEDB also briefed Members at the meeting on other relevant issues, including Hong Kong's digital TV penetration at that time, frequency co-ordination and the related technical work as well as the proposal to launch a digital TV assistance programme to help needy households who are still receiving analogue TV to purchase digital TV receivers.
- 4. The ensuing paragraphs elaborate on the work progress and latest position of the progressive implementation of full digital TV broadcast by the CEDB since last year.

# **Technical Preparatory Work**

5. The Secretary for Commerce and Economic Development

<sup>&</sup>lt;sup>1</sup> Legislative Council Brief File Ref.: CCIB/A 200-10-40/1

served notices to the relevant free TV licensees in April 2019 in accordance with their respective licences directing them to broadcast in digital form in the entirety immediately after ASO on 30 November 2020. In addition, the CEDB also informed Radio Television Hong Kong (RTHK) in tandem of the implementation arrangements for full digital TV broadcast. The Office of the Communications Authority (OFCA) will continue to discuss the technical preparatory work with the relevant free TV licensees and RTHK so as to co-ordinate the specific implementation arrangements for ASO.

6. Meanwhile, the Communications Authority (CA) plans to vacate a total of 160 MHz of spectrum in the 600/700 MHz bands after ASO for indoor mobile telecommunications services. As to the 700 MHz band, 20 MHz of spectrum can be made available at the same time for outdoor mobile telecommunications services. The above spectrum could provide much needed additional network capacity in congested or high traffic indoor mobile telecommunications hotspots (such as MTR stations). It will relieve the current congestion, allowing more flexibility for the industry to design their network infrastructure and improve services.

#### **Coverage and Penetration of Digital TV**

- 7. The digital terrestrial television (DTT) coverage of two domestic free TV licensees, namely Television Broadcasts Limited (TVB) and HK Television Entertainment Company Limited, has reached 99% of Hong Kong's population. The remaining free TV licensee, namely Fantastic Television Limited (Fantastic TV), provides its digital TV services by using a fixed network. It has a coverage of about 93% of the total number of households in Hong Kong.
- 8. RTHK, which is responsible for providing public broadcasting service, completed its extension of DTT network in April 2019 and achieved a DTT coverage of 99% of Hong Kong's population, on par with that of the commercial broadcasters.
- 9. The hilly terrains in Hong Kong create practical difficulties for broadcasting networks to achieve 100% coverage. The OFCA is committed to helping residents resolve poor TV reception problems. The OFCA would conduct on-site signal measurements having regard to the actual situation of each case and offer technical advice to concerned residents. Should members of the public experience difficulties in TV reception, they could contact the OFCA. The OFCA would be pleased to provide technical advice to assist the public to improve TV reception.

- 10. To better grasp Hong Kong's digital TV penetration rate, the Government commissioned a consultant to conduct a public survey for the first time in 2017 and another survey in end-2019 to understand the latest situation. The survey was conducted from September to November 2019 and about 8 200 households were enumerated through face-to-face interviews during household visits. It was found that Hong Kong's current digital TV penetration rate had increased from 88% in 2017 to 92% (i.e. around 2.4 million households). The percentage of analogue TV households had dropped from 7% (around 180 000 households) in 2017 to about 4% (around 100 000 households), while about 4% (around 100 000 households) reportedly had no TV set at home, a slight drop from about 5% in 2017.
- 11. Regarding the about 4% of the households who still relied on analogue TV services, the data analysis shows that over half of them replied that they "rarely had/had no time to watch/were not interested in watching TV" and about a quarter replied that they "watched TV programmes/films online/using computers/mobile phones".
- 12. The survey findings also show that among the analogue TV households, there was a higher ratio of all-elderly households, constituting about 25% of the total; and more than 65% were low-income households. The top five districts having the most analogue TV households were Kwun Tong (12.8%), Sham Shui Po (11.1%), Yau Tsim Mong (9.6%), Sha Tin (9.0%) and Kwai Tsing (8.6%).

# **Community Care Fund Digital TV Assistance Programme**

- 13. To tie in with the implementation of full digital TV broadcast, the Government, based on the estimation of about 160 000 analogue TV households in need of assistance according to a survey conducted in 2017 and by making reference of the market prices of basic digital TV equipment at that time, applied for funding from the Community Care Fund (CCF) in July 2019 for implementing the Community Care Fund Digital TV Assistance Programme (Assistance Programme). The funding ceiling was around \$450 million. The Government also proposed to engage the Hong Kong Council of Social Service (HKCSS) as the overall implementation agent. The Commission on Poverty agreed to make use of the CCF to implement the Assistance Programme.
- 14. After months of preparation, the HKCSS, partnering with 100 district service units, launched the Assistance Programme in January this year to help needy households who are still using analogue TV to purchase digital TV receivers. As regards the eligibility, applications should be

made on a household basis. Applying households must be analogue TV household without digital TV set or digital set-top box in the residence. To facilitate the applicants and simplify the administrative procedures, income eligibility of the Assistance Programme ties with five existing social assistance programmes<sup>2</sup>. In other words, applicants currently receiving those five specified social assistance programmes will not be required to go through additional financial assessment. Other low-income households meeting the specified income eligibility can also apply for the Assistance Programme.

- 15. The HKCSS will provide the eligible households with either a 24-inch digital TV set, a 32-inch digital TV set or a set-top box, together with services including on-site installation, channel search, collection of the old analogue TV set and three-year maintenance of the new TV set. In general, it takes no more than eight weeks from submitting all documents by applying households to making an appointment for on-site installation.
- As for the estimated expenditure of the Assistance Programme, according to the latest survey in end-2019 (paragraph 10 above), the number of analogue TV households in Hong Kong has dropped (from around 180 000 in 2017) to around 100 000. In this connection, we project that there are currently about 80 000 eligible households. The HKCSS has recently projected that the estimated expenditure of the entire Assistance Programme should be less than \$200 million. The actual expenditure of the Assistance Programme is to be determined by the cost of digital TV receivers and relevant services as specified in the contract of the contractor as well as the total number of successful applying households. The unspent balance will be returned to the CCF.
- 17. Having regard to the fact that there are many low-income families and elders among these eligible households, the application procedures of the Assistance Programme are as simple as possible. Applicants only need to complete the application form and attach simple documentary proof. To facilitate submission of applications by the public,

Five existing social assistance programmes include the Comprehensive Social Security Assistance Scheme, the Old Age Living Allowance (only applicable to all-elderly households), the Working Family Allowance Scheme (valid within 18 months from the issue date of the Working Family Allowance Scheme Notification of Application Result), all means-tested student financial assistance schemes (namely the Tertiary Student Finance Scheme - Publicly-funded Programmes, Financial Assistance Scheme for Post-secondary Students, Tuition Fee Reimbursement for Diploma Yi Jin (100% or 50% reimbursement of tuition fees paid), Financial Assistance Scheme for Designated Evening Adult Education Courses (100% or 50% reimbursement of tuition fees paid), School Textbook Assistance Scheme, Student Travel Subsidy Scheme, Subsidy Scheme for Internet Access Charges, Examination Fee Remission Scheme, Kindergarten and Child Care Centre Fee Remission Scheme, and Grant for School-related Expenses for Kindergarten Students), and Medical Fee Waiver Mechanism of public hospitals and clinics.

\_

the HKCSS, together with its social welfare agency members, have established 100 district services units in the 18 districts in Hong Kong to support the eligible households. The HKCSS has also disseminated information about the Assistance Programme to the ethnic minorities through the non-governmental organisations, so that eligible households in need can apply.

18. The Assistance Programme is open for applications from 14 January this year. As at 3 March this year, the HKCSS received over 4 700 applications. More than 2 200 approved applying households have their digital TV receivers successfully installed. Among the applications received, 96% chose digital TV sets and 4% digital set-top boxes. To cater for households who might submit applications after the implementation of full digital TV broadcast, the application period of the Assistance Programme will end on 15 July 2021 to process such applications.

## **Publicity**

- 19. Since the announcement of full digital TV broadcast last year, we have launched a series of publicity activities, including introducing two sets of TV and radio announcements of public interest to widely promote the implementation date of full digital TV broadcast and the information on the Assistance Programme. We will continue to promote full digital TV broadcast by using government venues frequented by the public and various channels such as public bus, green minibus, MTR and Light Rail advertisements more frequently.
- 20. OFCA and RTHK have also assisted in promoting the message of full digital TV broadcast in their public education activities which include roving exhibitions, district publicity, public seminars and school The HKCSS has sent letters to 18 District Councils and roving activities. sought the assistance of the social welfare sector to promote the Assistance Programme. It has also organised briefings on the Assistance Programme for the sector, and has approached target beneficiaries including lowincome and elderly groups through its community service networks, outreach visits and casework services. In response to the latest development of the novel coronavirus infection, some of the publicity activities involving social contacts have been suspended since end-January 2020, we will monitor the situation closely and resume the concerned publicity activities in a timely manner.
- 21. For analogue TV households, RTHK and Fantastic TV have broadcast the publicity wording "Full Digital TV Broadcast 1 December

2020" on their analogue TV channels. Since 15 January 2020, RTHK has added a countdown reminder every hour on its analogue TV channels to remind audience to prepare for full digital TV broadcast.

22. The Government will continue to monitor the digital TV penetration in the year, assist households in need in switching to digital TV equipment through the Assistance Programme, and further strengthen publicity nearer full digital TV broadcast in the second half of this year to remind audience who are still watching analogue TV to make preparation as early as possible.

#### **Follow-up on Spectrum Allocation**

23. OFCA will continue to co-ordinate with the Mainland authorities on the arrangements for the spectrum concerned. The target is to consult the public on the allocation and assignment of spectrum in the 600/700 MHz bands and the related arrangements within this year. Assignment of the relevant spectrum is expected to be completed next year.

#### **Advice Sought**

24. Members are invited to note the content of this paper and provide comments.

Communications and Creative Industries Branch Commerce and Economic Development Bureau 9 March 2020