

HUTCHISON TELEPHONE COMPANY LIMITED

**Submission in response to
Invitation for Written Submission from
Panel on Information Technology and Broadcasting of Legislative Council**

I. Introduction

1. Hutchison Telephone Company Limited (“**Hutchison**”) makes this submission in response to a letter entitled “Invitation for written submission” issued by the Panel on Information Technology and Broadcasting of Legislative Council (the “**Panel**”).
2. The Panel invites views on the fifth generation (“**5G**”) development in Hong Kong, including infrastructure requirements, legislative framework, policies, and related institutional support. Hutchison welcomes this opportunity to submit its views on the 5G development in Hong Kong.
3. Hutchison has concerns over the Government’s regulatory support for 5G mobile network rollout. We urge the Government to grant statutory right of access to mobile network operators to facilitate territory-wide 5G mobile network rollout and expedite the prolonged site application process, so as to realize the Government’s objective of building Hong Kong into a world class “smart city”.
4. Part II of this submission contains our views.

II. Hutchison’s Views

Statutory Right of Access to Facilitate 5G Mobile Network Roll-out

5. Under section 14(1) of the Telecommunications Ordinance (Cap. 106) (the “**TO**”), fixed network operators who have been granted authorization by the Communications Authority (the “**CA**”) are entitled to access the common parts of private buildings to install and maintain telecommunications systems for provision of services to residents or occupiers of the buildings.
6. With such authorizations given by the CA, the fixed network operators have legal rights to access those buildings to install and maintain the required facilities in the common parts. Like utilities companies such as gas and electricity, they could plan ahead in early development and hence avoid interruption and complexity which may arise subsequently.

According to the Information Note issued by the Office of the Communications Authority (“**OFCA**”), building management office, incorporated owners, owners committee and owners of buildings should permit and assist the operators to access the building for provision of services.¹

7. Unfortunately, this statutory right has not been granted to mobile network operators.
8. In this fast-changing digital age, mobile phones (as compared to fixed-line residential phones) have become an indispensable part of our daily lives. Nowadays, some people no longer have a fixed line for telephone but just use their mobile phones. In view of the propagation characteristics of 5G spectrum, which require thousands of small cells for deployment, a large number of mobile base stations are critical to providing the public with a high capacity and low latency 5G network.
9. We are of the view that the public mobile services, like the fixed-line services, should be treated as a public utility. An enforceable statutory right of access should be granted to mobile operators to enter and install cell sites in private buildings, shopping malls, government-owned premises, highways, Mass Transit Railway, etc., so as to facilitate 5G rollout in Hong Kong in a timely manner.
10. Reference should also be made to overseas practices. The communications regulator of the United Kingdom, the Communications Office (“**OFCOM**”), amended the Electronic Communications Code in 2017, with the view of simplifying the procedures for mobile operators to install and maintain their equipment. The amended Code has made it easier and cheaper for operators to rollout or upgrade their services, with the then future network of 5G in mind.²
11. Take the case of Singapore for another example. In 2018, the regulator Infocomm Media Development Authority (“**IMDA**”) issued a code of practice specifying the duties of building owners and developers to provide adequate space, facilities and access for telecom licensees, both mobile and fixed-line services, to provide their services. For mobile services, building owners are required to provide space for the mobile licensees to install its mobile equipment on a rent-free basis. IMDA rightly pointed out that “This mutual benefit is important in order to achieve a robust and resilient mobile telecommunications

¹ Information Note on Authorization under Section 14(1) of the Telecommunications Ordinance (Cap 106) Issued to Fixed Telecommunications Network Services Operators, Fixed Carrier Operators and United Carrier Licensees. See https://www.ofca.gov.hk/filemanager/ofca/common/Industry/telecom/inote0005_12e.pdf

² See: <https://www.ofcom.org.uk/phones-telecoms-and-internet/information-for-industry/policy/electronic-comm-code>

network, especially given the increasing reliance on and importance of mobile services to Singaporeans.”³

12. Incumbent mobile operators have made substantial investments in building first class 2G/3G/4G networks over the years in Hong Kong. We aim at providing innovative services to the public. For the sake of fairness, we urge the Government to maintain a level playing field, hence granting similar right to mobile operators. In this respect, we suggest that the Hong Kong SAR Government should review the relevant provisions of the TO and make necessary amendments in order to meet the needs of this rapidly-changing technological environment.

Prolonged Approval Process for Installation of Cell Site at Government Properties

13. Given the demand for 5G connectivity, we anticipate that the demand for 5G access points in both indoor and outdoor locations will be tremendously high. With the advent of 5G, site planning will be a lot different from the previous generations of mobile technologies. In term of spectrum, it involves multi-dimensional aspects (low-band, mid-band and high-band) and locations (where 5G new radios to be placed).
14. Currently, installation of cell sites requires approval from multiple Government departments, which takes long time to process all paper works and approvals. To cope with large numbers of 5G radio sites and cell sites refarmed from existing sub-3GHz spectrum, a streamlined and consolidated approval process should be put in place.
15. For applications of cell sites built at Government premises, mobile operators are required to submit applications via (1) the Government Property Agency (“**GPA**”) and (2) OFCA for approval under the “Pilot Scheme for Installation of Radio Base Stations at Selected Government Venues” (the “**Pilot Scheme**”). For cells sites built in the Public Housing Estates, operators are required to submit applications to the Hong Kong Housing Authority (the “**HA**”).
16. Our past record shows that the average lead-time for obtaining approvals from the vetting units of the user departments (such as the Leisure and Cultural Services Department (the LCSD) and the Food and Environmental Hygiene Department (FEHD)) via GPA, as well as via OFCA under the Pilot Scheme, took about three to six months. For applications submitted via the HA, the average lead-time for obtaining all necessary approvals from various vetting units under the HA took from 12 to 18 months.

³ Introduction to The Code of Practice for Info-communication Facilities in Buildings (COPIF). See <https://www.imda.gov.sg/-/media/Imda/Files/Regulations-and-Licensing/Regulations/Codes-of-Practice/Codes-of-Practice-Infocomm/COPIF/COPIF-Overview.pdf?la=en>

Inter-departmental Effort is Necessary

17. In view of the above, there is an urgent need to review and streamline the existing approval process, especially with all the relevant Government departments concerned, to avoid further delay in granting approvals. A “fast-track” approval process with stated service levels is necessary.
18. To achieve efficient deployment of 5G services and realization of the Government’s smart city initiatives, we suggest the Government take a proactive role in coordinating with its various departments to facilitate mobile operators’ access to Government premises, street furniture and new public development project sites. Only with such coordination, mobile connection could be planned ahead in early development stage, and mobile services could be put into service before the project open day.
19. Needless to say, the Government’s support is also sorely needed to assist mobile operators in entering such land as private tunnels (e.g. Western Harbour Crossing and Tai Lam tunnel), the Mass Transit Railway and large shopping arcades to install radio communications facilities at a reasonable access rate and lead time.

Government-built Telecom Poles

20. Often time, mobile operators have difficulty in securing access to land from landowners for installing new mobile base stations, particularly in rural areas, resulting in weak mobile signals in that area. To resolve this problem, we suggest that the Government take the lead in building phone masts/ poles on the Government land. This would drastically reduce the processing time for various Government departments to review different cell site applications with different proposals from each individual operator.
21. An excellent example is the telecom facilities recently built at Penny’s Bay Quarantine Centre Phase II. With the Government’s leadership and proactive involvements, the telecom poles, platforms, electricity and transmission trunking facilities (fixed-line, pipes) had been built before mobile operators coming to the site for installation of their telecom apparatus. As a result, the project completion time was significantly shortened to around two months, as compared to few years’ time for projects of similar nature which require approvals from various Governmental departments, such as Lands Department, Building Department, the GPA, OFCA, etc. This case has positively demonstrated that the Government’s coordination is critical in facilitating an efficient and expeditious rollout of 5G and future networks.

Public Education

22. In addition, mobile operators face practical challenges and have difficulty in securing cell sites from landlords or incorporated owners due to health hazard concerns arising from radiation emitted from radio base stations. There are also cases where landlords request mobile operators to dismantle existing base stations in fear of radiation.
23. In this regard, we urge the Government to play an active role in educating the public about the proper concepts of radiation hazard and clarify their concerns, which often lead to refusal of installation of cell sites at their premises despite efforts and explanations by mobile operators.

Longer Term of Unified Carrier licence (UCL)

24. As the scope of 5G would be much more complex and larger than that of the 3G and 4G, it is expected that the period for 5G investment and return would take a much longer time. With reference to the overseas market experiences, we suggest that the Government consider extending the validity period of the spectrum bands for the provision of 5G services from the existing 15 years under the UCL to a more practical and effective duration, for instance, 20 to 30 years, if not a perpetual licence.

Submitted by Hutchison Telephone Company Limited
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