

Summary of concerns raised in submissions
(as at 29 April 2000)

<u>Organization</u>	<u>Subject</u>	<u>Concern</u>	<u>Remarks</u>
Hong Kong Journalist Association [CB(2)1476/99-00(02)]	Freedom of expression and transparency	<ul style="list-style-type: none"> - <u>Suggests</u> Government to limit prior censorship of programmes under section 35 to only 2 circumstances, i.e. "incitement to violence or hatred" and "directly and seriously harm public health or morals of children below 18 years". - <u>Suggests</u> mandatory public hearings for the grant, extension, renewal, suspension and revocation of a licence, except where commercial secrets are involved or a licensee goes into compulsory liquidation. - <u>Seeks assurance</u> that journalistic material under section 24 should only be seized under the relevant provisions of the Interpretation and General Clauses Ordinance. 	CB(2)1774/99-00(01) CB(2)1572/99-00(01) CB(2)1783/99-00(01) Administration to provide response.
[CB(2)1650/99-00(01)] (second submission)	Freedom of expression and transparency	<ul style="list-style-type: none"> - <u>Considers</u> the application of section 35 is confined to the court to prohibit certain television programmes. - <u>Suggests</u> to further tighten the criteria under which an order may be made under section 35(5). 	CB(2)1774/99-00(01) CB(2)1774/99-00(01)
Satellite Television Rentals Limited [CB(2)1476/99-00(03) and (04)]	Regulation of broadcasting services (Clauses 6 and 7)	<p><u>Suggests</u> :</p> <ul style="list-style-type: none"> (a) to criminalize export of unauthorized decoders; (b) to criminalize import and re-export of decoder authorized for use in places outside Hong Kong; and (c) to regulate the use of decoder which is authorized for use in places outside Hong Kong. 	CB(2)1572/99-00(01)

<p>Metro Broadcast Corporation Limited [CB(2)1476/99-00(05)]</p>	<p>Royalties and licence fees (Part 4 of Schedule 4)</p>	<p>- <u>Welcomes</u> the abolition of advertising royalties.</p> <p>- As for licence fees, proper cost accounting and cost control procedures should be put in place and the licensees should know how the costs are incurred before full-costs should be restored.</p>	<p>- Administration to provide response.</p>
<p>Asia Television Limited [CB(2)1504/99-00(01)]</p>	<p>Enforcement of licences</p>	<p><u>Supports</u> :</p> <p>(a) regulating television programme services by ways set out in the Bill and <u>urges</u> the expedite enactment of the Bill; and</p> <p>(b) the enforcement departments should regulate television programme services flexibly.</p>	<p>-</p>
<p>International Federation of the Phonographic Industry (Hong Kong Group) Limited (IFPI) [CB(2)1504/99-00(02)]</p>	<p>Competition provisions</p>	<p><u>Vertical integration and media concentration</u></p> <p>- Government must ensure that high concentration of ownership in the existing TV market will not lead to the proprietary control of other related industries and their contents and technology.</p> <p>- As different media sectors are increasingly converged in the digital environment, relationships between them and the traditional free access TV sector (i.e. Domestic Free Services) involves a degree of mutual dependence which creates tension.</p> <p><u>Disqualified persons and competition clauses</u></p> <p>- <u>Agrees</u> "programme suppliers" be removed from the list of disqualified person under Schedule 1, Part II.</p> <p>- <u>Suggests</u> Government to consider strengthening anti-competitive activities of licensees.</p>	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1572/99-00(01) CB(2)1743/99-00(02)</p>

	<p><u>Clause 13</u></p> <ul style="list-style-type: none">- <u>Suggests</u> amendments to include "co-dependent relationship with a TV programme service market" and to limit the discretionary power of the Broadcasting Authority in exempting a licensee from subsection (1), e.g. by specifying grounds for exemption in Guidelines (or Schedule of the Bill), and introducing public hearing appeals and cancellation procedures, etc.- <u>Urges</u> Government to seriously reconsider the exemption in clause 13(5)(b) as a dominant licensee can abuse its dominant position by forcing talents and artists (who depend on extensive coverage and market share for promotion) to enter into exclusive contracts. It will also put a licensee's competitor in a disadvantageous position as recording artists may be forbidden from appearing in other licensees' programmes.	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1722/99-00(01)</p>
	<p><u>Clause 14</u></p> <ul style="list-style-type: none">- <u>Suggest</u> amendments to expand the scope to cover other trading conditions in a television programme service market and/or a market with co-dependent relationship with a TV programme service market.- <u>Urges</u> Government to extend consultation for the drafting of guidelines concerning the test of dominance to other sectors and independent experts on competition laws and policies.	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1743/99-00(02)</p>
	<p><u>Copyright issues</u></p> <ul style="list-style-type: none">- <u>Urges</u> Government to incorporate certain copyright protection as licensing conditions for both television and radio broadcasters, for example, any security devices and right management information embedded in digitized/analogue copyright works by copyright owners must not be disabled.	<p>-</p>

<p>[CB(2)1702/99-00(01)] (second submission)</p>	<p>Competition provisions</p>	<p><u>Proposed amendments to clauses 13 and 14 - co-dependent relationship</u></p> <ul style="list-style-type: none">- <u>Strongly urges</u> Government to strengthen clauses 13 and 14 by preventing dominant licence holders from engaging in anti-competition in other "co-dependent markets".- <u>Proposes</u> to adopt the following criteria for applying competition regulations in a market that are "co-dependent" with the television market :<ul style="list-style-type: none">(a) sources of income should be separated or significantly distinguishable; and(b) whether a dominant licensee has affect competition in a co-dependent market by prejudicing access to air time and programme and dictating trading conditions and pricing. <p><u>Exemption in clause 13(5)(b)</u></p> <ul style="list-style-type: none">- <u>Urges</u> Government to seriously consider deleting clause 13(5)(b) as dominant broadcasters can abuse their competitive powers by restricting artistes from appearing in other licensees' programme. <p><u>Addition of "distorting" to clause 13(1)</u></p> <ul style="list-style-type: none">- <u>Proposes</u> replacing "substantially" with "distorting" as the notion of substantially restricting competition is ambiguous and confining. The proposed amendment is modelled on section 2(1)(b) of the UK Competition Act and Article 81(1) of the EC Treaty.	<p>CB(2)1743/99-00(02)</p> <p>Administration to provide specific response to concerns relating to "co-dependent relationship". Response awaited.</p> <p>CB(2)1722/99-00(01)</p> <p>Administration to provide response.</p>
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	Broadcasting on the Internet	<p><u>Concerns</u> :</p> <p>(a) <u>agrees</u> that broadcasting on the Internet would not be addressed in the Bill; and</p> <p>(b) meaning of "distribution" and "broadcasting" in the context of electronic commerce on the Internet should be carefully distinguished.</p>	CB(2)1572/99-00(02)
	Broadcasting Authority	<ul style="list-style-type: none"> - <u>Disagrees</u> with the extensive discretionary power entrusted to the BA in exempting a licensee for the purpose of clause 13(1). Amendment to clause 13(4) is therefore proposed. - <u>Supports</u> widening the membership of the BA to include legal experts and professionals from other related sections. - <u>Suggests</u> to engage legal professionals as an office-bearer of the BA. 	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1572/99-00(01)</p> <p>CB(2)1572/99-00(01)</p>
Kwun Tong Resident Union [CB(2)1504/99-00(03)]	Competition provisions	<u>Supports</u> open market and fair competition.	-
	Regulation of programme contents	<u>Suggests</u> strengthening control of programme content and increasing the fine for broadcasting programmes with sex and violence contents during prime hours. However, domestic pay television programmes can be subject to less stringent control to enable provision of programmes of diversity.	<p>CB(2)1572/99-00(01)</p> <p>CB(2)1824/99-00(02)</p>
	Regulation of Internet	<u>Objects</u> to the exemption of regulation of broadcasting through the Internet.	CB(2)1572/99-00(01)
	Restriction on residency for vote-controller	<u>Supports</u> the restriction on residency for directors and vote-controllers.	-

<p>Consumer Council [CB(2)1504/99-00(04)]</p>	<p>Competition provisions</p>	<p>- <u>Supports</u> strengthening the ambit of competitive safeguards.</p> <p>- <u>Concerns</u> :</p> <p>(a) non-licensees can exercise market power over licensees (programme supplier could have a business relationship with a dominant television power to adversely affect the position of its competitors); and</p> <p>(b) general competition laws are required to provide a "safety net" for emerging competition issues such as the growth of Internet.</p>	<p>-</p> <p>CB(2)1743/99-00(02)</p>
	<p>Exemptions from competition provisions</p>	<p><u>Suggests</u> Government :</p> <p>(a) to define "produced" as "wholly" or "substantially" produced in order to differentiate such programmes from those "acquired" by a licensee with only nominal production; and</p> <p>(b) to consider introducing some safeguards with regard to artistes contracts, e.g. by limiting the maximum period for a licensee to bind an artist to a contract.</p>	<p>Administration to provide response.</p> <p>CB(2)1722/99-00(01)</p>
	<p>Service provision (Clause 17(2))</p>	<p><u>Suggests</u> Government to consider including provisions requiring general public consultation on an exemption to be granted by the BA to the requirement for a domestic free/pay service to provide universal television service throughout Hong Kong.</p>	<p>Administration to provide response.</p>
	<p>Financial penalty</p>	<p>- <u>Suggests</u> linking the level of fine with the pecuniary benefits derived by the licensee in order to provide deterrence.</p> <p>- <u>Suggests</u> providing an avenue for the BA to direct compensation to be paid to aggrieved persons for an anti-competitive conduct of a company.</p>	<p>CB(2)1824/99-00(02)</p> <p>- ditto -</p>

		<p>- <u>Supports</u> clause 29 which provides for orders as to correction or apology in a form approved by the BA.</p>	<p>-</p>
[CB(2)1674/99-00(02)] (second submission)	<p>Exercise of control</p>	<p>- The issue of corporate control is a complex issue, and it can also take the form of control over the selection or provision of programmes for broadcast by a licensee.</p> <p>- A dominant TV licensee can construct a corporate relationship with a non licensed programme supplier to restrict supply of programmes to competitors of the dominant licensee.</p> <p>- <u>Suggests</u> Government to consider including a wider range of measures to identify circumstances of "control".</p>	<p>CB(2)1743/99-00(02)</p>
	<p>Misleading and deceptive conduct</p>	<p><u>Suggests</u> including prohibitions (in the form of Code of Conduct) against unfair and misleading advertising, e.g. to require licensees and their servants/agents to abide by certain principles when marketing their service to the public.</p>	<p>Administration agrees to consider in the context of the generic code of practice.</p>
[CB(2)1674/99-00(02)] (second submission)	<p>Competition provisions</p>	<p><u>Suggests</u> :</p> <p>(a) to widening the ambit of the prohibited anti-competitive conduct in the Broadcasting Bill to include conduct taking place in markets within the context of "electronically delivered entertainment and/or information services";</p> <p>(b) to prohibiting non-licensees by law from engaging in anti-competitive conduct; and</p> <p>(c) to pooling together resources in BA and the Office of Telecommunications Authority to carry out competition investigation and analysis work in area of electronically delivered entertainment/ information.</p>	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1743/99-00(02)</p> <p>CB(2)1572/99-00(01) CB(2)1743/99-00(02)</p>

	Cross ownership	<p>- <u>Concerns</u> that a dominant player holding different types of licences for television programme services could exercise control over air time for artistes and advertising and exercise power in programme acquisition. It is in direct conflict with Government's open sky policy.</p> <p>- <u>Urges</u> Government to carefully consider licence application made by an existing operator bearing in mind the impact on the conglomeration of power by one party on competition in the market.</p>	<p>Administration to respond specifically to concerns relating to "prohibition of cross ownership". Response awaited.</p> <p>CB(2)1774/99-00(01)</p>
Hong Kong Arts Development Council [CB(2)1504/99-00(05)]	Royalties and licence fees (Part 4 of Schedule 4)	<u>Agrees</u> with government's long term television broadcasting policy.	-
	Content of programmes (Parts 1 & 3 of Schedule 4)	<p>- <u>Suggests</u> formulating provisions to attract the provision of arts channel or arts-on-demand.</p> <p>- Licensees to produce arts and cultural programmes in prime time slot and arts news.</p> <p>- <u>Supports</u> requiring licensees to include television programme supplied by government in certain period in a day.</p>	<p>CB(2)1572/99-00(01)</p> <p>- ditto -</p> <p>-</p>
Hong Kong Commercial Broadcasting Co Ltd [CB(2)1504/99-00(06)]	Content of programmes (Parts 1 & 3 of Schedule 4)	<u>Concerns</u> whether all proposed regulations which seems to apply to television licence holders would apply to sound broadcasting licence holders.	CB(2)1572/99-00(01)

Turner International Asia Pacific Limited [CB(2)1504/99-00(07)]	General views	<ul style="list-style-type: none"> - <u>Supports</u> separating regulation of transmission and provision of television programme services and introducing a technology-neutral approach for licensing and regulatory frameworks. - <u>Supports</u> areas of exemption from regulation, inclusion of competition law provisions and provisions on parental locks. 	-
	Licensing and regulation (Clause 2)	<ul style="list-style-type: none"> - It is <u>unclear</u> as to whether holders of other licensable television programme service licensees (category 4 licence) will be allowed to establish downlink facilities for the reception of programming and <u>suggests</u> category 4 licensees should not be exempted from applying for a separate licence to govern their downlink facilities. - The definition of "provide" is unclear whether a content supplier need to be licensed. 	Administration to provide response. Administration to provide response.
	SMATV Exemption (Schedule 3)	<u>Supports</u> the general provisions and <u>suggests</u> having a specific and separate exemption from licensing for SMATV operators who carry programming of licensees.	Administration to provide response.
	Licences general provisions (Clause 10)	<u>Suggests</u> setting out the specific licensing criteria and conditions for each category of licences.	CB(2)1568/99-00(01)
	Competition provisions	<u>Suggests</u> to incorporate principles contained in clauses 13 and 14 into clause 21.	Administration to provide response.
	Other concerns	<u>Suggests</u> the Administration to deal with matters related to DTH services, granting visas to television staff, intellectual property protection and use of frequencies by means of administrative measures so as not to delay the introduction of the Bill.	-

Satellite Television Asian Region Limited [CB(2)1504/99-00(08)]	Scope of television programme services	- <u>Welcomes</u> the categorization of television programme services into 4 areas. - <u>Welcomes</u> the inclusion of "item k" broadcasters under the Bill.	- -
	Codes of Practice and Guidelines	<u>Welcomes</u> the issuance of code of practice by BA.	-
	Competition provision (Clause 13)	<u>Supports</u> the inclusion of competition provisions in the Bill and <u>agrees</u> with the terms and conditions contain therein.	-
	Ownership control	<u>Supports</u> the relaxation on prohibiting disqualified person from exercising control in domestic licences.	-
	Royalties and licence fees	- <u>Supports</u> the abolition of royalties. - <u>Disagrees</u> with the full cost recovery principle for calculating annual licence fee and <u>suggests</u> some of the costs be met by general revenue of the Administration.	- Administration to provide response.
Cable & Wireless HKT Limited and Cable & Wireless HKT VOD Limited [CB(2)1504/99-00(09)]	General views	- <u>Supports</u> removing royalty payments. - <u>Welcomes</u> : (a) the deletion of FTNS service licensee as a disqualified person; (b) the lifting of restriction on voting control by non-residents for category 1 licensee; (c) the lifting of restriction to allow subsidiary companies to become category 1 licensee; and (d) the introduction of locking device, relaxation of programming and advertising standards in the codes of practice for television services other than category 1 services.	- -

	Licences - general provisions (Clause 9)	<u>Considers</u> confining the protection against disclosure only to legal professional privilege offers insufficient safeguards.	Administration to provide response.
	Licences - general provisions (Clause 10)	Lacks of a mechanism for approving the transfer of licences and hence <u>suggests</u> including relevant procedures in the Bill.	Administration to provide response.
	Licensing and regulation (Clause 2)	The aggregate number of households allowed to be served under categories 3 and 4 licences varied greatly to such an extent that it may circumvent the 4-tier regulating system in the Bill.	CB(2)1572/99-00(01)
	Code of practice and guidelines (Clause 3)	<u>Suggests</u> requiring BA to consult the industry, rather than limited to "such bodies representative of licensees", with the new or revised code or practice.	Administration to provide response.
	Regulation of broadcasting services (Clause 6)	Considers BA ought to obtain a warrant from the court before entry any premises, both domestic and commercial for the purpose of the Bill.	Administration to provide response.
	Competition provisions (Clause 13)	<p>- <u>Disagrees</u> with exemptions provided under clause 13(5).</p> <p><u>Suggests</u> :</p> <ul style="list-style-type: none"> - to replace it with a general exception in the Bill for intellectual property; and - to delete clause 13(6). 	<p>CB(2)1722/99-00(01)</p> <p>Administration to provide response.</p> <p>Administration to provide response.</p>

	<p>Schedule 3</p>	<p>- Amendment to schedule 3 should not be subject to Chief Executive in Council's approval, but that the standard legislative process should be applied.</p> <p>- Content of any 'transactional services' should be excluded from the Bill as this is not a television or broadcasting service.</p>	<p>Administration to provide response.</p> <p>S.3 of Schedule 3 to the Bill</p>
	<p>Other concerns</p>	<p>- Legal and drafting aspects of the Bill should be consistent with that of the Telecommunication (Amendment) Bill 1999.</p> <p>- As no transitional provision is proposed in the Telecommunication Bill, the transitional provision (paragraph 4(2) of Schedule 8) is unnecessary.</p> <p>- The relaxation of the application of competition safeguards under clause 13 should be removed as it could be anti-competitive behaviour under the Telecommunication Bill even the same agreement is concerned.</p>	<p>CB(2)1572/99-00(01)</p> <p>Administration to provide response.</p> <p>CB(2)1722/99-00(01)</p>
<p>Elemsdale Media Limited [CB(2)1504/99-00(10)]</p>		<p>- <u>Welcomes</u> the proposals to :</p> <p>(a) remove "programme suppliers" from the list of disqualified persons;</p> <p>(b) relax voting control of domestic free licensees by non-residents;</p> <p>(c) recognize locking devices for pay television programmes, and suggests considering relaxing programme and advertising standards in codes of practice; and</p> <p>(d) introduce competition provisions.</p>	<p>-</p>

<p>Hong Kong Cable Television Limited [CB(2)1541/99-00(01)]</p>	<p>Disqualification for holding licences (Schedule 1)</p>	<p>- <u>Supports</u> the promotion of competition and control of abuse of dominance in broadcasting market.</p> <p>- <u>Concerns</u> that the power of dominant television broadcaster may be extended as a non-domestic TV programme service licensee is not a disqualified person for the purpose of a domestic pay TV programme service licence.</p> <p>- <u>Proposes</u> retaining "dominant FTNS" and "programme suppliers" in the list of disqualified persons.</p>	<p>-</p> <p>CB(2)1572/99-00(01)</p> <p>CB(2)1572/99-00(01)</p>
	<p>Competition provisions (Clause 13)</p>	<p>- To prevent the abuse of exclusive contracts, it considers exclusive employment contracts should not be given a blanket exclusion from anti-competitive legislation.</p> <p>- Acquisition of exclusive programme rights should not be generally be considered anti-competitive, otherwise viewers are deprived of choice.</p>	<p>CB(2)1722/99-00(01)</p> <p>CB(2)1743/99-00(02)</p>
	<p>Composition of Broadcasting Authority (BA)</p>	<p><u>Suggests</u> reviewing the membership, e.g. from part-time to full-time and support provided for BA as its power and responsibilities were widened under the Bill.</p>	<p>CB(2)1572/99-00(01)</p>
	<p>Codes of Practice and guidelines issued by BA (Clauses 3 and 4)</p>	<p>- <u>Requests</u> the draft code of practice to be ready for consultation before the enactment of the Bill.</p> <p>- <u>Suggests</u> specifying licensing criteria and process in the Bill instead of setting out in the guidelines.</p>	<p>CB(2)1743/99-00(02)</p> <p>CB(2)1568/99-00(01)</p>
	<p>Regulation of broadcasting services (Clauses 6 and 7)</p>	<p><u>Suggests</u> to penalize the use of BA's unauthorized decoders for personal use.</p>	<p>CB(2)1572/99-00(01)</p>

	Drafting aspects	<ul style="list-style-type: none"> - <u>Suggests</u> defining relevant market in accordance with competition theory. - Specifying the proposal for associated carriage licence. - <u>Suggests</u> improving the drafting of the definition of "non-domestic television programme service", "newspaper", "television programme service". 	<p>Administration to provide response.</p> <p>Administration to provide response.</p> <p>Administration to provide response.</p>
	Enforcement of licences (Clause 25)	<u>Suggests</u> BA's right to disclose licenses' information should be subject to the prevailing civil procedural rules.	Administration to provide response.
[CB(2)1650/99-00(02)] (second submission)	Enforcement of licences (Clause 29)	<u>Considers</u> existing sanction options are sufficient for regulating the industry, no new sanction is required.	-
	Competition provisions	<p><u>Market dominance</u></p> <ul style="list-style-type: none"> - <u>Considers</u> that television market is defined by reference to "substitutability". Free TV or pay TV is a single television market and all operators are competing with each other for the same viewers. - <u>Suggests</u> Government to maintain the "one licence per operator" policy. <p><u>Programme acquisition</u></p> <ul style="list-style-type: none"> - <u>Considers</u> holding licences for more than one type of programme service licence by an operator will give the operator as advantage over its competitors in acquiring exclusive programmes. 	<p>CB(2)1774/99-00(01)</p> <p>CB(2)1774/99-00(01)</p>

	Guidelines to be issued by Broadcasting Authority	<u>Suggests</u> making available the draft guidelines for consultation prior to the passage of the Bill.	CB(2)1743/99-00(02)
	Composition of Broadcasting Authority	<u>Suggests</u> reviewing BA's membership and providing sufficient support to enable it to fulfil its new role.	CB(2)1572/99-00(01)
Hong Kong Development and Strategic Research Centre [CB(2)1549/99-00(01)]	Competition provisions	<u>Suggests</u> the Bill to include provisions for : (a) licence contents to be made available for public inspection; (b) enhanced transparency for the appointment of members and operation of the broadcasting Authority; (c) the role of RTHK as a public broadcaster;	CB(2)1572/99-00(01) - ditto - - ditto -
		(d) prohibition of monopoly/oligopoly in programme production and indirect control of artists; and (e) the setting up of a public broadcasting channel.	CB(2)1722/99-00(01) CB(2)1743/99-00(02) CB(2)1572/99-00(01)
Galaxy Satellite Telecommunications Co Ltd [CB(2)1549/99-00(02)]	Competition provisions	<u>Other licensable service licence</u> (Section 1 of Schedule 7) - The limit of 200 000 premises is too high (should be lowered). <u>Services excluded</u> - Free-to-air satellite television services uplinked from places outside but receivable in Hong Kong should also be subject to monitoring.	CB(2)1572/99-00(01) CB(2)1572//99-00(01)

		<p><u>Regulation of broadcasting services</u> (Clauses 6 and 7)</p> <p>- Welcomes the provision that makes it an offence to import, manufacture, sell, offer for sale or let for hire an unauthorized decoding service for viewing encrypted TV programmes without payment.</p> <p><u>Disqualified persons</u></p> <p>- <u>Welcomes</u> the proposal that dominant FTNS licensees should require the approval of CE in C in order to exercise control in a DFSL which is dominant in the pay television market.</p> <p><u>Royalty and licence fees</u></p> <p>- Welcomes the abolition of the advertising and subscription royalties scheme, to be replaced by an annual licence fee.</p>	-
Television Broadcasts Limited [CB(2)1549/99-00(03)]	Royalties and licence fees (Part 4 of Schedule 4)	<p>- <u>Welcomes</u> the proposal to abolish the royalty payment scheme.</p> <p>- <u>Urges</u> the early introduction of a new regulatory framework.</p>	-
	Competition provisions (Clause 13)	<p>- <u>Considers</u> anti-competitive regulations should not be targeted only at a single industry, in particular any single company.</p> <p>- Exclusive programme rights should be provided for licensees.</p>	<p>CB(2)1743/99-00(02)</p> <p>- ditto -</p>

<p>[CB(2)1572/99-00(02)] (second submission)</p>	<p>Competition provisions</p>	<p>Response to the allegation that the granting of a domestic pay television service licence to its subsidiary would entrench its dominance in the market.</p> <p><u>Programme acquisition</u></p> <ul style="list-style-type: none"> - Programme acquisition would be conducted by different teams of two companies as they are run by separate management. <p><u>Market dominance</u></p> <ul style="list-style-type: none"> - <u>Welcomes</u> the increased government and public scrutiny. - <u>Suggests</u> the primary focus of scrutiny should be actual behaviour in the market place, not size or market above. 	<p>-</p>
<p>Hong Kong Society of Accountant [CB(2)1569/99-00(01)]</p>	<p>Separate accounting (Clause 16)</p>	<ul style="list-style-type: none"> - The drafting of clause 16(1) does not seem to have achieved its objective; suggests requiring to keep separate subsidiary segmental accounting records as well. - To specify the circumstances where clause 16(2) will be applicable. 	<p>CB(2)1743/99-00(02)</p> <p>- ditto -</p>
<p>Alcatel China Holding Pte Ltd</p>		<p><u>Suggests</u> that :</p> <ul style="list-style-type: none"> (a) Internet broadcasting should also be subject to monitoring; and (b) programme production by FTNS should also be regulated. 	<p>CB(2)1572/99-00(01)</p> <p>- ditto -</p>
<p>APT Satellite Holdings Ltd</p>		<p><u>Supports</u> regulation of Internet broadcasting.</p>	<p>CB(2)1572/99-00(01)</p>

Asia Satellite Broadcasting Ltd		<u>Suggests</u> that free-to-air satellite services uplinked from places outside but receivable in Hong Kong should not be exempted as the contents may not meet the public standards (e.g. morals).	CB(2)1572/99-00(01)
Pacific Satellite International Limited	Licensing and regulation (Clause 2)	<p>- The number of target audience (5 000) allowed for category 4 licence (other licensable service), is too low as many housing estates accommodated over 5 000 households. In such circumstance category 4 licensee would have to apply for a category 2 licence (Domestic Pay Service) as well.</p> <p>- <u>Suggests</u> allowing licensees to approach targeted owners' associations for the provision of television programme.</p>	CB(2)1774/99-00(01) -