Panel on Information Technology and Broadcasting

List of outstanding items for discussion

(position as at 4 December 2008)

Proposed timing for discussion

1. Mobile TV policy framework and auctioning of mobile TV-related spectrum

At the Panel meeting held on 29 January 2008, the Administration 1st quarter of 2009 briefed Members on the Second Consultation on Development of Mobile Television Services conducted by the Commerce and Economic Development Bureau (CEDB) and the Office of the Telecommunications Authority (OFTA). The public consultation ended in April 2008. Administration would firm up the implementation framework for broadcast-type mobile television services in Hong Kong taking into account views received from the public and industry. The TA aims to release the relevant frequency spectrum and proceed with the licensing of the mobile TV services in the first half of 2009.

2. **District cyber centres**

The pilot scheme on District Cyber Centres (DCCs) was announced by the Financial Secretary (FS) in his Budget Speech 2008-09. Under the pilot scheme, community organizations and private sector sponsors are invited to form a tripartite partnership with the Government in leading the implementation and management of the DCCs. Very encouraging response was received from industry and community organizations in the expression of interest exercise conducted between July and August 2008. Potential implementation proposals were identified and partnership arrangements were being finalized by prospective partners with a view to taking forward the implementation for the pilot by late 2008. The Administration will update the Panel on the progress of the initiative.

January 2009

3. Promote development of the creative industries and the setting up of a dedicated office for creative industries

In the Policy Address announced in October 2007, the Chief Executive (CE) pledged that Hong Kong should accelerate the development of creative industries in the next five years in order to maintain Hong Kong's competitive edge. The CE also announced in the 2008 Policy Address the setting up of a dedicated Creative Industry Office to provide better support and one-stop service to the industries. Administration will brief the Panel on the arrangements and plans for setting up the dedicated office.

February 2009

Proposed timing for discussion

4. Annual report on Cyberport

At the Panel meeting held on 10 March 2008, the Panel was briefed on the latest progress of the Cyberport project. The Panel noted that there was a significant increase in the operating revenue to \$263 million for the year ended March 2007, as compared to \$188 million in 2005-2006 and \$136 million in 2004-2005. The Administration and the Cyberport management undertook to give a briefing to the Panel on the progress of the project annually.

March 2009

5. Progress report on 2008 Digital 21 Strategy

At the Panel meeting held on 10 June 2008, the Panel was updated on the latest progress on the implementation of initiatives under the 2008 Digital 21 Strategy (the Strategy). To take forward the Strategy, the Administration proposed to develop Statements of Desired Outcome (SDOs) for each of the five action areas under the Strategy and sought members' views on the draft SDOs. The Administration undertook to update members on the initiatives and the progress of the implementation in due course.

March 2009

6. Update on Film Development Fund

At the Panel meeting held on 14 April 2008, the Panel was updated on the progress of the implementation of the Film Development Fund (FDF). Since the injection of \$300 million into the FDF and expansion of its scope to finance small-to-medium budget film productions in July 2007, a total of 15 applications in respect of film productions had been received up to end November 2008. Of these, seven were approved, three rejected, and three being processed. Two applications were withdrawn by the applicants. The total amount of funding approved for the seven successful applications is \$18.38 million. As regards the other film-related projects which are conducive to the healthy and long-term development of the film industry, a total of 20 projects have been approved up to end November 2008. The total amount of funding approved for these 20 applications is \$37.85 million. Administration will continue to promote the use of the FDF to the film industry.

April 2009

7. Changes to the governance structure of the Hong Kong Internet Registration Corporation Limited

At the Panel meeting held on 14 October 2008, members suggested that the Administration should be invited to brief the Panel on the changes to the governance structure of the Hong Kong Internet Registration Corporation Limited, a non-profit organization endorsed by the

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Government to oversee the administration and management of the domain names ending with ".hk". The Administration will report the matter to the Panel in due course.

8. Review of PNETS Licence Regime

The current public non-exclusive telecommunications service (PNETS) licensing regime has been put in place for more than 20 years. In light of the rapid market changes and regulation developments over the past years, OFTA will conduct a public consultation by end 2008/early2009 with a view to streamlining the present PNETS licensing regime and bringing it in line with the other licensing regimes introduced recently for other telecommunications service providers (e.g. Service-Based Operator Licence and the Unified Carrier Licence).

May 2009

9. Digital terrestrial television update

At the meeting held on 19 February 2008, the Panel was briefed on the service launch of digital terrestrial television (DTT) in Hong Kong on 31 December 2007. The DTT network has been extended to 18 districts covering 75% of the Hong Kong population in August 2008. As of September, there are more than 500 000 (or about 23%) Hong Kong households watching DTT via set-top boxes, integrated digital TV sets or computers. The Administration will further update the Panel on the progress of the DTT implementation including the on-going network construction extending the coverage, status of DTT take-up by the viewing public and the latest publicity.

May 2009

10. Review of Control of Obscene and Indecent Articles Ordinance (COIAO) (Cap. 390) – second round of public consultation

CEDB launched a four-month public consultation on the review of COIAO on 3 October 2008. At the Panel meeting held on 20 November 2008, members received submissions from and exchanged views with deputations and interested parties on the review of COIAO. Members were of the view that freedom of expression and free flow of information which were the core values of Hong Kong and protected by the law should be preserved and safeguarded. Some members queried the impartiality of the consultation and were concerned that some of the measures set out in the consultation document would impede the free flow of information and restrict the freedom of expression. Grave concern was raised about the regulation of materials transmitted on the Internet and whether it was at all feasible to regulate obscenity on the Internet. The Administration was criticized for trying to impose the main-stream value system on the cyber world and young people under

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the pretext of protecting the young generation from the harmful effects of indecent and obscene materials. A member considered that it was the parents' responsibility to supervise and teach their children and queried the feasibility of regulating morality, decency and propriety by legislation. Views were expressed that the consultation/review should be discontinued and that more resources be used to step up sex education for young people to help them develop a positive and healthy attitude towards sex. The Administration highlighted that the Government was open-minded and had no predetermined position in the consultation. reviewing the COIAO, the Administration was mindful of the need to strike a balance between protecting the youth from indecent and obscene materials on one hand and preserving the free flow of information and the freedom of expression on the other. Following the first round of public consultation, the Administration will draw together the public views and come up with proposals for the second round of public consultation as far as possible.

11. Report on the follow-up actions for fixed mobile convergence

At the Panel meeting of 11 June 2007, members were briefed of the TA's statement entitled "Deregulation for Fixed-mobile Convergence (FMC)" which set out his decisions of various issues to facilitate FMC, including withdrawal of regulatory guidance for fixed-mobile interconnection charges, introduction of the unified carrier licences, further examination of implementing fixed mobile number portability, etc. The Administration will report and update members of the implementation of these initiatives.

12. Progress update on the E-Government programme

At the Panel meeting held on 13 May 2008, the Panel was briefed on the major achievements made and the benefits that E-government services had brought to citizens since the last report made in July 2007. The Administration will provide a regular update on the implementation of E-government programmes to the Panel.

13. Review of telephone directory enquiry service

In accordance with the current licence condition, fixed carrier licensees are required to provide directory information services (including printed directory and directory enquiry service) free of charge to the customers. No such licensing requirement is imposed on mobile carrier licensees. The OFTA has recently commissioned an independent consultant to conduct a market survey to find out the public's perception and expectation on the directory information services. Subject to the findings of the survey, the OFTA will conduct a public consultation to

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solicit the views and comments from the general public and the industry on the proposed way forward.

14. Progress report on the pilot run of Consumer Complaint Settlement Scheme

The pilot run of the Consumer Complaint Settlement Scheme commenced in the third quarter of 2008. The purpose of the pilot run is to evaluate the effectiveness of resolving customer disputes concerning telecommunications services in Hong Kong through adjudications by an independent party. The Hong Kong International Arbitration Centre is now providing adjudication services for the pilot programme. The Administration will keep track of the implementation of the pilot scheme and will update the Panel on the progress.

July 2009

15. Progress update on the provision of Wi-Fi facilities at Government premises

At the Panel meeting held on 10 June 2008, the Panel was updated on the latest progress of the implementation of the GovWiFi programme since its launch on 27 March 2008. Members noted that Phase 1 implementation providing free GovWiFi service at about 120 government premises would be completed by end June 2008. A total of about 2 000 access points would be installed at some 350 government premises by the completion of Phase 2 implementation targeted at mid-2009. The Administration undertook to make a consolidated report on the progress made by relevant departments on the implementation of the GovWiFi programme, including its financial status, to the Panel on a regular basis.

July 2009

16. Public consultation on public service broadcasting (PSB) including issues related to the future of RTHK and the opening up of radio/TV channels for use of the community

At the Panel meeting held on 29 January 2008, members expressed grave concern about the deferral in releasing the consultation paper on PSB and the future of RTHK which was originally scheduled for discussion at the meeting. The Administration indicated that as the review of PSB and the related issues of the future of RTHK and community participation in broadcasting were highly sensitive and complex issues that had to be handled cautiously and dealt with together, more time was needed to prepare for a comprehensive consultation exercise. The Administration undertook to make the best effort to finalize the consultation paper within a reasonable timeframe.

To be confirmed

Proposed timing for discussion

17. Regulation of radio broadcasting

Following the incident on unlicensed broadcast by Citizens' Radio leading to the prosecution of a number of persons for breaching the provisions in the Telecommunications Ordinance (TO) (Cap. 106), some Panel members expressed concern that the Administration seemed to have enforced the concerned provisions selectively. As such, the Panel requested the Administration to brief members on the prevailing policies relating to the regulation of radio broadcasting and the use of radiocommunications apparatus for the purpose of radio broadcasting at the Panel meeting on 19 February 2008.

To be confirmed

At the Panel's request, the Research and Library Services Division (RLSD) of the LegCo Secretariat conducted a research on the regulation of radio broadcasting services in Canada, the United States, the United Kingdom and Australia to facilitate members' future deliberation on the situation in Hong Kong. RLSD presented its report to the Panel on 10 June 2008. Members were concerned about the Chief Executive in Council's unchecked powers to approve or reject a licence application, the absence of an appeal mechanism and the lack of transparency, accountability and public participation in Hong Kong's sound broadcasting licensing regime. Members called for an early review of the TO to enhance the fairness and transparency of the licence processing procedures. The Panel will continue to follow up the item in the 2008-2009 legislative session.

Council Business Division 1
<u>Legislative Council Secretariat</u>
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