

ITEM FOR FINANCE COMMITTEE

HEAD 160 – RADIO TELEVISION HONG KONG

Subhead 700 General non-recurrent

New Item “Community Involvement Broadcasting Fund”

Members are invited to approve the creation of Subhead 700 General non-recurrent under Head 160 and a new commitment of \$45 million for setting up a Community Involvement Broadcasting Fund to support and encourage community and ethnic minority involvement in broadcasting.

PROBLEM

We need to provide funding to support and encourage community and ethnic minority involvement in broadcasting through the community involvement broadcasting service (CIBS) to be launched by Radio Television Hong Kong (RTHK).

PROPOSAL

2. The Director of Broadcasting (D of B), with the support of the Secretary for Commerce and Economic Development, proposes to create Subhead 700 General non-recurrent under Head 160 Radio Television Hong Kong and a new commitment of \$45 million for setting up a Community Involvement Broadcasting Fund (CIBF) to support and encourage community and ethnic minority organisations or individuals to participate in broadcasting through the CIBS.

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JUSTIFICATION

Community Involvement Broadcasting Service

3. The provision of a platform to facilitate community participation in broadcasting and the administration of a CIBF to support and encourage community or ethnic minority involvement in broadcasting are one of the public purposes of RTHK set out in the RTHK Charter promulgated in August 2010. To this end, RTHK will set up a CIBF for the purpose of implementing the CIBS. The objective of the CIBS is to promote a wide range of social gains to the community, in particular –

- (a) plurality, diversity and social inclusion;
- (b) mutual respect, social empathy and civic mindedness;
- (c) creativity, uniqueness and talent nurturing; and
- (d) community involvement.

4. The objective of CIBF is to support the implementation of CIBS on a pilot basis. The proposed CIBF is estimated to last for about three years and subject to a review afterwards. Radio programmes delivered through RTHK's digital audio broadcasting (DAB) channels will be the first testing ground for the pilot scheme of CIBS, given the lower technological threshold for public involvement. Interested community or ethnic minority organisations or individuals may submit applications for participating in the CIBS to become community involvement broadcasting (CIB) producers. The CIBF seeks to encourage community and ethnic minority organisations or individuals to participate in broadcasting by helping to defray the actual expenses incurred by CIB producers with financial needs in the course of producing broadcasting programmes. The CIBF will operate in tandem with the CIBS.

Establishment and Administration of CIBF

Modus Operandi

5. There will be two rounds of applications for participation in the CIBS each year. In each round of applications, interested community or ethnic minority organisations or individuals may submit applications for producing either a half-hour or a full-hour radio programme on designated themes for the coming two quarters. CIBS applicants may apply for funding from CIBF at the same time if they require financial assistance. Successful applicants will be allotted airtime in RTHK's DAB channels and CIBF funding (where applicable).

6. We will adopt 11 programme themes, spreading across the three-year period of the pilot scheme of the CIBS. For each quarter of a year, there will be three themes, one of which will be dedicated to ethnic minorities. The applicant can produce programmes in Chinese or other languages under the two language services in CIBS, namely Chinese Language Service and Non-Chinese Language Service¹. Each CIBS programme will have 13 episodes in one quarter. This will allow sufficient time for a programme to build rapport with its audience while enabling other CIB producers to participate. We estimate that there will be 14 to 28 episodes of CIBS programme each week in the first year of the pilot project. The service targets of CIBS will not only be mass audience but also niche audience and minority interest. The CIBS platform will also pay attention to those communities which usually have fewer opportunities to have their voices heard in public.

7. We will establish a CIBS Selection Committee (the Committee) to assess applications for CIBS and CIBF. The Committee will comprise seven non-official members appointed by D of B, including scholars on communications or broadcasting, experts from different fields drawn from the RTHK Programme Advisory Panel (PAP)², and one member familiar with ethnic minorities issues. Depending on the designated programme themes for each round of applications, D of B will draw from the pool of some 120 RTHK PAP members a few whose expertise is relevant to the assessment involved. RTHK will provide secretariat support for the Committee.

8. To enhance transparency in the selection process, we will upload materials (i.e. a brief programme synopsis and a three-minute sound track) provided by applicants on a thematic CIBS website for public viewing. Members of the public may participate in the selection process through voting at the thematic website, and the result of which will be taken into account by the Committee. Results of the selection will also be posted on the thematic website for public information.

9. In the selection process, the Committee will look for applicants who display originality and the ability to communicate the intended messages through broadcasting. RTHK will develop specific selection criteria in consultation with the Committee. The selection criteria will be developed in accordance with the following general guiding principles –

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¹ We will allow Putonghua and different Chinese dialects (e.g. Fukienese, Cantonese) within the Chinese Language Service, and English and different foreign languages within the Non-Chinese Language Service.

² Established in 1993, the PAP comprises some 120 members with diverse backgrounds (including art and culture, education, social welfare, medical services, legal services, information technologies, businesses and district affairs, etc). It meets once a year to discuss selected topics to reflect public views on the programmes produced by RTHK.

- (a) programme ideas and contents, as well as social gains arising from the programme, are the most important elements in CIBS;
- (b) CIBS programmes should promote a wide range of social gains (mentioned in paragraph 3 above);
- (c) the Committee would take into account the views of the public before deciding on whether to approve an application and votes received in the RTHK website will be the indicator of public views;
- (d) the assessment would take into account the applicant's organisational capability to manage the project and deliver the proposed CIBS programme, and the applicant's track record in both quality and quantity of previous CIBS programmes (if applicable); and
- (e) priority should be given to registered groups³ and proposals on recorded programmes.

CIBS applicants who require financial assistance may submit applications under the CIBF. For successful CIBS applicants who also apply for CIBF funding, they will be eligible for funding support under CIBF. The amount of funding provided to successful applicants will be subject to vetting by the Committee in accordance with the guiding principles mentioned in paragraph 10 below.

Guiding Principles of the Operation of CIBF

10. RTHK will be responsible for the administration of the CIBF and D of B, as Controlling Officer, will approve disbursement of funds from CIBF on the advice of the Committee. The guiding principles in the administration and disbursement of funds are –

- (a) CIBF funding will only be used to defray actual expenses incurred for the production of CIBS programmes;
- (b) funds will be disbursed to CIB producers by instalments or in a manner as agreed with RTHK before the commencement of programme production;

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³ Registered groups will include –

- (a) organisations registered under the Companies Ordinance (Cap. 32);
- (b) organisations registered under the Societies Ordinance (Cap. 151);
- (c) charitable institutions exempted from tax under section 88 of the Inland Revenue Ordinance (Cap. 112); and
- (d) members of associated organisations of the above.

- (c) funding support for the production of CIBS programmes will be capped at a ceiling of \$7,500 per half-hour programme and \$15,000 per one-hour programme. Based on RTHK's professional experience, such rates should be sufficient to cover the production and administration costs involved; and
- (d) as voluntarism is the core spirit of CIBS, a standard rate, in the form of honorarium per person with a limited quota of participants (e.g. producers, presenters, scriptwriters and researchers) on each episode, will be adopted. The honorarium forms part of the production cost and is subject to the funding ceiling in (c) above. RTHK will consult the Committee on the appropriate level of honorarium and quota of participants.

Expected Benefits

11. CIBS is a new service dedicated to the promotion of plurality, diversity and social inclusion. We envisage that CIBS will primarily serve as a platform to encourage non-government organisations, ethnic minorities and underprivileged communities to share ideas with the public through broadcasting. In particular, the CIBS platform should help communities and ethnic minorities who usually have less opportunity to have their voice heard in public. It will also cover niche interests which are overlooked by the mainstream media.

12. As mentioned in paragraph 6 above, RTHK estimates that there will be 14 to 28 episodes of CIBS programme each week in the first year of the pilot project. This can enable a wide range of community and/or ethnic minority organisations to take part in CIBS. Although it is reasonable to expect that many CIBS programmes may be amateurish, the CIBS will provide community organisations the opportunity to take part in broadcasting and accumulate experience, and in time nurture talents in the media industry. The CIBF, through the provision of financial assistance to successful applications, will serve as a complementary measure and encourage community participation in the CIBS.

Control and Evaluation Mechanism

13. All CIBF recipients will be required to comply with the conditions imposed on the use of public funds. RTHK will expect all CIBF recipients to monitor the progress of programmes supported by the CIBF and be accountable for the use of the disbursed funds. To ensure proper monitoring of the use of the CIBF, RTHK will put in place the following control measures –

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- (a) applicants will be required to state the key deliverables, milestones, targets, and methods for measuring performance when they submit proposals for consideration by the Committee. If their application is successful, they will be required to enter into a legally binding agreement with RTHK based on the approved budget;
- (b) D of B may stipulate specific terms to control the use of the allocated funds and request compliance by the applicants who receive support from the CIBF;
- (c) D of B has the full discretion to decide that the approved funds be paid by instalments after the CIBS producers have achieved the pre-determined milestones. D of B reserves the right not to disburse outstanding funds to successful applicants, or reduce the amount of outstanding funds to be paid, if their performance is not satisfactory or if they breach any funding terms and condition as stated in the agreement;
- (d) upon completion of the programme, each CIB producer will be required to submit an audited financial report and complete an evaluation report. RTHK will record supplementary comments on the evaluation report where appropriate. These evaluation reports will be used for review of CIBS upon conclusion of the pilot project;
- (e) successful applicants are required to maintain all relevant records (including procurement/tendering and staff payroll records), separate and complete books of accounts and register of minor equipment procured, for inspection and checking by RTHK or representatives of the Government as and when required. Such records are required to be kept for a period of seven years following completion of the programme;
- (f) RTHK will regularly inspect the progress of the production of CIBS programmes by the CIB producers and report to the Committee regularly; and
- (g) in view of the fact that CIBS is a publicly-funded service, copyright of CIBS programmes will be vested in RTHK. CIB producers will be required to seek our prior consent before using the programmes in any other platforms.

14. Given the policy objectives of CIBS, we believe the success or otherwise of CIBS should not be judged on the basis of audience ratings. To assess the cost-effectiveness of the projects funded by the CIBF, we will put in place the following mechanism –

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- (a) we will set up focus groups, comprising of listeners and experts, to seek feedback on the CIBS programmes; and
- (b) we will invite listeners to provide their views on the CIBS programmes through the submission of a questionnaire available on the CIBS thematic website.

15. To ensure that the selection process will be conducted in a fair manner, RTHK will seek the advice of the Independent Commission Against Corruption (ICAC) on the assessment criteria and procedures to be adopted by the Committee. RTHK will also seek ICAC's advice in drawing up a code for declaration of interest for compliance by members of the Committee.

16. RTHK will conduct a review on the operation of the pilot scheme of CIBS and the funding arrangements in about three years' time to assess whether it is an effective means to encourage community involvement in broadcasting.

FINANCIAL IMPLICATIONS

17. We propose to create a new commitment of \$45 million for the establishment of the CIBF in the fourth quarter of 2012. The actual cash flow of the CIBF will depend on the number of applications received and approved. For planning and budgetary purpose, the estimated cash flow is as follows –

2012-13 (\$ million)	2013-14 (\$ million)	2014-15 (\$ million)	2015-16 (\$ million)	Total (\$ million)
4	12	17	12	45

RTHK will absorb the workload arising from the setting up and administration of the CIBF.

PUBLIC CONSULTATION

18. RTHK conducted a three-month public consultation from December 2011 to March 2012 on the proposals to set up the CIBS and CIBF. Over 80 members of the public and representatives of various organisations attended the two public consultation meetings and 14 written submissions were received. Having taken into account public views, RTHK has drawn up a plan for the implementation of CIBS and establishment of CIBF.

19. We reported the result of the public consultation exercise and the proposed plan for the operation of the CIBS and CIBF to the LegCo Panel on Information Technology and Broadcasting on 14 May 2012. Members were generally supportive of the proposal. Members supported our proposal for the CIBS/CIBF to pay attention to the needs of niche audience and minority interest. Some Members were concerned about the signal reception and popularity of DAB as a new service. With concerted efforts by the Government and DAB operators on the further development of DAB service, the audienceship of DAB is expected to grow in the next few years. A Member commented that certain application requirements (e.g. submission of audited financial reports) might present difficulties for small organisations. To address this, RTHK will provide relevant templates for reference by the successful CIBF applicants and arrange for facilitators to offer assistance.

BACKGROUND

20. Some sectors of the community have asked for opening up the airwaves for community and public access broadcasting. However, there was hitherto a lack of sufficient frequency spectrum to support low-cost territory-wide reception. This, together with the fact that stand-alone community broadcasting services required substantial financial and human resources, inhibits community involvement in broadcasting. Recent technological advancement, which gives impetus to the digitisation of free-to-air television and the development of DAB, has provided new opportunities for the provision of more channels and platforms.

21. The Government launched a public consultation in October 2009 on proposals to enhance the role and functions of RTHK as a public service broadcaster, including a proposal to task RTHK to devote part of its airtime and resources within the development of its digital services to provide a platform for community participation in broadcasting and the establishment of a dedicated fund, as a pilot, to support and encourage community or ethnic minority involvement in broadcasting. Subsequent to the consultation, the provision of a platform to support and facilitate community participation in broadcasting and the administration of a CIBF have been incorporated in the RTHK Charter as one of the public purposes of RTHK.