

LEGISLATIVE COUNCIL BRIEF

Telecommunications Ordinance
(Chapter 106)

TELECOMMUNICATIONS (AMENDMENT) BILL 2021

INTRODUCTION

At the meeting of the Executive Council on 6 July 2021, the Council ADVISED and the Chief Executive ORDERED that the Telecommunications (Amendment) Bill 2021 (the Bill), at **Annex A**, should be introduced into the Legislative Council (LegCo).

JUSTIFICATIONS

TO Review

2. As a regional telecommunications hub, Hong Kong is supported by world-class infrastructure providing innovative and high quality fixed, mobile and external telecommunications services at affordable prices. The roll-out of 5G services has achieved excellent progress after commercial launch in Hong Kong for just one year. As at June 2021, 5G coverage in Hong Kong has reached over 90% of the population and the coverage of 5G networks in some core business districts or areas with high pedestrian flow has even reached 99%. To ensure that the sector will continue to be vibrant, competitive and business friendly, our telecommunications regulatory framework has to be kept updated and in line with the latest technological development.

3. In February 2019, the Government completed a three-month public consultation on the TO Review which has proposed the implementation of measures that would encourage the adoption of innovative services such as 5G and Internet of Things (IoT) technologies as well as those that would promote trade facilitation. A total of 26 submissions have been received from major telecommunications licensees, industry organisations, public utilities, statutory bodies, political parties, etc. during the public consultation. The submissions

received and the relevant stakeholders were generally supportive of the direction of the proposed measures although there were specific views expressing concern over detailed operation of individual measures.

The Bill and Proposed Measures

4. The Bill aims to further facilitate the development of 5G telecommunications services and to address the views of the industry expressed in the past so as to ensure that our regulatory framework can keep pace with the latest development. Details are set out in the following paragraphs.

Embracing the Arrival of 5G and IoT Technologies

Regulation of Telecommunications Functions of Telecommunications Equipment and Devices

5. In light of the rapid development of smart household and personal electronic devices equipped with internet connection functions in the 5G and IoT era, regulation of these devices will become increasingly complicated. To ensure a clearer division of work among various government departments in regulating these smart devices and products so as to cope with the needs of the latest development, we propose to rationalise the regulatory arrangements on telecommunications functions of telecommunications equipment and devices under the TO. In gist, we will amend section 32D of the TO to clearly stipulate that the powers and duties of the CA will focus on regulating the telecommunications functions of telecommunications equipment and devices (including relevant telecommunications technical standards and specifications)¹. Non-telecommunications functions of such telecommunications equipment and devices (e.g. electrical and other safety specifications and standards) will be regulated by other dedicated legislation as appropriate.

Protection of Underground Telecommunications Infrastructure

6. In Hong Kong, underground spaces, especially in urban areas, are packed with various important facilities. Among these underground facilities are telecommunications ducts, optical fibre cables and copper wires that provide territory-wide coverage of telecommunications services. Apart from providing fixed line telecommunications services that supports mission critical operations

¹ The telecommunications functions include integrity of and compatibility with telecommunications networks and control of the level of non-ionising electromagnetic radiation.

of banks, financial institutions and emergency services, the infrastructure is also core to connecting our mobile networks. The potential disruption caused by accidental damage to underground telecommunications facilities could be very serious. For years, the telecommunications sector has strongly demanded enhanced legal protection of such facilities on par with other public utilities. To address their concerns, we propose to amend the TO to create the following criminal offences against any person who does not take reasonable steps to protect or who fails to prevent damage to an underground telecommunications line when carrying out any work below ground level near the line -

- (a) failure to take all reasonable steps before the work begins to ascertain whether any underground telecommunications line exists within or near the proposed work site, and (if so) the alignment and depth of the concerned line, should be liable to a fine at level 4 (i.e. \$25,000) and imprisonment for 6 months;
- (b) failure to ensure that all reasonable measures are taken to prevent damage to an underground telecommunications line or any interruption to a telecommunications service arising from the work should be liable to a fine at level 4 (i.e. \$25,000) and imprisonment for 6 months;
- (c) if the offence of (b) causes interruption to a telecommunications service, a more severe punishment would be imposed, i.e. a fine of \$200,000 and imprisonment for 12 months; and
- (d) if the offence of (b) continues, an additional fine of \$10,000 per day.

Nevertheless, it is a defence to the proposed offences if the person responsible for the work shows that the relevant guidelines issued by the CA were complied with at the material time (details as set out in paragraph 8).

7. During the public consultation, some stakeholders expressed that some in the construction sector were concerned about the burden the sector has to bear and the specific operational arrangements of the measures following the legislative amendments. In this connection, when amending the TO, we have drawn reference to other existing statutory protection arrangements on underground infrastructure in Hong Kong (including those concerning the electricity supply lines under the Electricity Supply Lines (Protection) Regulation

(Cap. 406 sub. leg. H) and gas pipes under the Gas Safety (Gas Supply) Regulations (Cap. 51 sub. leg. B)). As regards the proposed levels of penalties, we have also made reference to the practice of these existing statutory safeguards. We consider that as the construction sector has all along been expected to carry out works in compliance with such requirements, the above proposals should not be unfamiliar to the sector and therefore should not constitute additional burden on the sector.

8. The CA will also draw up guidelines to provide relevant stakeholders with clear specifications and guiding principles and to set out appropriate work safety guidelines and preventive measures for compliance by the sector and relevant persons, with reference to existing codes of practice related to the protection of electricity supply lines and gas pipes. When drawing up the relevant guidelines, the CA will consult the sector and relevant stakeholders so as to ensure that the guidelines are practical and would align with the actual operation of the sector. The sector may also resort to using the compliance with the relevant guidelines, where appropriate, as a defence when being prosecuted for violation of the concerned legislation. We consider that the relevant measures have struck a balance between the demands of telecommunications operators over years in strengthening the protection of underground telecommunications infrastructure and the practical situation of the construction sector in complying with the relevant requirements.

Trade Facilitation

Simplifying the Issue of Non-carrier Licences

9. To facilitate the industry in timely introduction of innovative services in the 5G and IoT era and in light of the fast evolving nature and forms of such services amid technological advancement, we need a more flexible licensing framework so that the authorities can regulate emerging innovative applications that are used in different sectors (e.g. property management, parking/access control, automation in manufacturing processes, transportation, academic research and health care services, etc.) more expeditiously and effectively. Unlike the regulatory approach targeting carrier licences² under the TO, such innovative

² Under section 2 of the TO, a carrier licence means a licence issued for the establishment or maintenance of a telecommunications network for carrying communications to or from the public between fixed locations, between moving locations or between fixed locations and moving locations, within Hong Kong, or between Hong Kong and places outside Hong Kong, on a point-to-point, point-to-multipoint or broadcasting basis, such locations within Hong Kong being separated by unleased Government land, but does not include the licences listed in Schedule 1 to the TO.

telecommunications services are generally smaller in scale, applicable to specific geographical settings and serve a specific group of users. Licensing for such services should therefore be more flexible than that for carrier licences and should be subject to less stringent licence conditions and lower licence fees so as to facilitate the development of relevant businesses in Hong Kong.

10. We propose to simplify the existing requirements of the TO by empowering the Secretary for Commerce and Economic Development (SCED) to specify by notice published in the Gazette certain licences as non-carrier licences, which are to be more restrictive than carrier licences in terms of the geographical coverage, scope, scale or customer base of the telecommunications service authorised to be provided under the licence, so as to facilitate the implementation and application of innovative telecommunications services in the 5G era.

11. The proposed simplified licensing mechanism is only applicable to non-carrier licences. When exercising such power, SCED will publish clearly in the Gazette to ensure that the industry and the public are aware of the telecommunications services involved. The simplified licensing mechanism proposed above will not be in conflict with the licensing mechanism and operation of carrier licences. It is envisaged that the non-carrier licences that will be specified by the SCED will primarily be those authorising new and innovative telecommunications services that have more restricted geographical coverage, scope, scale or customer base than those provided under carrier licences. Under the TO, the CA has power to issue other non-carrier licences. The proposal to streamline the existing arrangements by giving SCED power to specify the non-carrier licences will not undermine the right of any existing carrier licensees to provide the services authorised under their licences. Other telecommunications services of larger scale and coverage (e.g. general territory-wide mobile and fixed telephone services) will continue to be subject to carrier licences under the existing mechanism and be regulated thereof. The proposed arrangement will also not affect the licensing framework and regulatory requirements of other existing telecommunications services as well as telecommunications installation and apparatus.

Improving the Appeal Mechanism under the TO

12. Given the increasingly complex, vibrant and fast-developing telecommunications market nowadays, the TO needs enhancement from time to time in order to meet the regulatory needs of the telecommunications market and to keep pace with technological advancement. We propose to improve the appeal mechanism as provided under the TO to provide telecommunications operators or other affected parties an independent review channel if they are aggrieved by certain regulatory decisions of the CA as appropriate. We propose to expand the functions and powers of the existing Telecommunications (Competition Provisions) Appeal Board (to be renamed as the Telecommunications Appeal Board) so that it can handle appeals in addition to those relating to section 7Q of the TO (i.e. exploitative conducts engaged by licensee). Licensees can appeal to the Appeal Board if they are aggrieved by certain regulatory decisions of the CA.

13. The appeal mechanism will be expanded to cover the following decisions of the CA under the TO -

- (i) refusal to issue a licence other than an exclusive licence (section 7(5) of the TO);
- (ii) refusal to give consent on tariffs (section 7F(3) of the TO);
- (iii) revocation of certificate of competency, and suspension or revocation of authority to operate for operating personnel (section 32K(2) and (5) of the TO);
- (iv) cancellation, withdrawal or suspension of licence, permit, permission or consent granted (section 34(4) of the TO);
- (v) determination of terms and conditions of interconnection (section 36A(1) of the TO);
- (vi) direction on sharing of use of facilities (section 36AA(1) of the TO);
- (vii) directions by the CA (section 36B(1) of the TO);
- (viii) imposition of financial penalties (section 36C(1) and (2) of the TO); and

- (ix) requirements by the CA for disclosing information or publishing corrective advertisements (section 36C(3A) of the TO)³.

THE BILL

14. The main provisions which serve to put forward the recommendations set out in paragraphs 4 to 13 above are as follows –

- (a) Clause 3 adds the definitions for “operative guideline” and “underground telecommunications line”, which are necessary for the interpretation of the amendments to the TO;
- (b) Clause 4 adds a new section 7AB to the TO to empower SCED to specify a licence as a non-carrier licence, and to define “non-carrier licence”;
- (c) Clause 5 adds a new section 18A to the TO to provide for the requirements relating to work near underground telecommunications lines;
- (d) Clause 8 amends section 32D of the TO to confine certain objectives of technical regulation to telecommunications matters;
- (e) Clause 11 amends section 32M of the TO to change the name of the appeal board established under that section;
- (f) Clause 12 amends section 32N of the TO to cover new subject matters against which a person may appeal to the appeal board; and
- (g) Clause 16 adds a new section 45 to the TO to provide for the transitional and saving provisions regarding the appeal board (established under section 32M) following the change in its name under clause 11.

³ Since these decisions of the CA are also likely to affect telecommunications licensees’ civil rights and obligations and have a bearing on their businesses and operations, after consulting the Department of Justice, we propose that the appeal mechanism will also cover such decisions.

LEGISLATIVE TIMETABLE

15. The legislative timetable is as follows –

Publication in the Gazette	9 July 2021
First Reading and Commencement of Second Reading Debate	14 July 2021
Resumption of Second Reading	To be notified

IMPLICATIONS OF THE PROPOSAL

16. The proposals, if implemented, have economic, sustainability, financial and civil service implications as set out in **Annex B**. The proposals are in conformity with the Basic Law, including the provisions concerning human rights. They have no productivity, environmental, family and gender implications. The Bill would not affect the current binding effect of the legislation it amended.

PUBLIC CONSULTATION

17. The Commerce and Economic Development Bureau (CEDB) has completed a three-month public consultation from November 2018 to February 2019. Stakeholders were generally supportive of the direction of the proposed measures which would update the legislation timely. We briefed the LegCo Panel on Information Technology and Broadcasting (LegCo ITB Panel) on the views gathered in the public consultation and the progress of the related work on 11 November 2019. We further consulted the LegCo ITB Panel on the legislative proposals on 19 April 2021. Members generally supported that we should introduce the Bill into LegCo for scrutiny as soon as possible so as to implement the proposed measures. Upon enactment of the Bill, the CA will consult the telecommunications and construction sectors and relevant stakeholders on the draft guidelines to provide practical guidance on compliance with the new provisions for enhanced protection of underground telecommunications infrastructure.

PUBLICITY

18. A press release will be issued and a spokesperson will be available to answer media and public enquiries.

ENQUIRIES

19. Enquiries on this brief can be directed to Communications and Creative Industries Branch of CEDB at telephone number 3655 5595.

Commerce and Economic Development Bureau
9 July 2021

Telecommunications (Amendment) Bill 2021

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A BILL

To

Amend the Telecommunications Ordinance to provide for non-carrier licences, requirements relating to work near underground telecommunications lines and related offences; to confine certain objectives of technical regulation to telecommunications matters; to cover new appeal subject matters; to make minor textual amendments; and to provide for related matters.

Enacted by the Legislative Council.

Part 1

Preliminary

1. Short title and commencement

- (1) This Ordinance may be cited as the Telecommunications (Amendment) Ordinance 2021.
- (2) This Ordinance comes into operation on a day to be appointed by the Secretary for Commerce and Economic Development by notice published in the Gazette.

2. Enactments amended

The enactments specified in Parts 2 and 3 are amended as set out in those Parts.

Part 2

Amendments to Telecommunications Ordinance (Cap. 106)

3. Section 2 amended (interpretation)

Section 2(1)—

Add in alphabetical order

“operative guideline (有效指引), in relation to an act or omission, means a guideline issued by the Authority under section 6D that is in force at the time of the act or omission;

underground telecommunications line (地下電訊線路) means a telecommunications line located below ground level in any land that is not seabed;”.

4. Section 7AB added

After section 7A—

Add

“7AB. Non-carrier licences

- (1) The Secretary may by notice published in the Gazette specify a licence as a non-carrier licence.
- (2) A notice published under subsection (1) is not subsidiary legislation.
- (3) In this section—

non-carrier licence (非傳送者牌照) means a licence issued for the establishment or maintenance of a telecommunications network, or telecommunications system, for carrying communications between locations

within Hong Kong to provide a restrictive telecommunications service;

restrictive telecommunications service (受局限電訊服務) means a telecommunications service that is more restrictive, in terms of the geographical coverage, scope, scale or customer base of the service, than one authorized to be provided under a carrier licence.”

5. Section 18A added

After section 18—

Add

“18A. Requirements relating to work near underground telecommunications lines

- (1) A person must not carry out, or cause or permit another to carry out, any work below ground level near an underground telecommunications line, unless the person takes, before the work begins, all reasonable steps to ascertain—
 - (a) whether any underground telecommunications line exists within or near the proposed work site; and
 - (b) if so—the alignment and depth of the line.
- (2) If a person carries out, or causes or permits another to carry out, any work below ground level at a work site within which, or near which, an underground telecommunications line exists, the person must ensure that all reasonable measures are taken to prevent—
 - (a) any damage to the line; or
 - (b) any interruption to a telecommunications service, arising from the work.”

6. Sections 22A and 22B added

After section 22—

Add

“22A. Contravention of section 18A an offence

- (1) A person who contravenes section 18A(1) commits an offence and is liable on conviction to a fine at level 4 and to imprisonment for 6 months.
- (2) A person who contravenes section 18A(2) commits an offence and is liable on conviction—
 - (a) if the contravention results in an interruption to a telecommunications service—to a fine of \$200,000 and to imprisonment for 12 months; or
 - (b) in any other case—to a fine at level 4 and to imprisonment for 6 months,
 and, in the case of a continuing offence, to a further fine of \$10,000 for every day during which the offence continues.
- (3) In proceedings against a person for an offence under subsection (1), it is for the person to show that the person took, before the work began, all reasonable steps to ascertain—
 - (a) whether any underground telecommunications line existed at the time within or near the proposed work site; and
 - (b) if so—the alignment and depth of the line.
- (4) For the purposes of subsection (3), if the person shows that the person complied with an operative guideline relating to taking reasonable steps as referred to in section 18A(1), the person is taken to have shown that the person took all reasonable steps.

- (5) In proceedings against a person for an offence under subsection (2), it is a defence for the person to show that the person complied with an operative guideline relating to taking reasonable measures as referred to in section 18A(2).
- (6) Also, it is a defence for the person charged with an offence under subsection (2) to show that—
- (a) the person took, before the work began, all reasonable steps for the purposes of section 18A(1); and
 - (b) any failure to take all reasonable measures for the purposes of section 18A(2) was due to reliance on information provided by the licensee authorized to place and maintain the underground telecommunications line concerned.

22B. Use of guidelines in criminal proceedings under section 22A

- (1) This section applies in relation to criminal proceedings before a magistrate or a court in which a person is alleged to have committed an offence under section 22A(1) or (2).
- (2) A provision of an operative guideline that appears to the magistrate or the court to be relevant to the alleged offence is admissible in evidence in the proceedings.
- (3) Also, if—
 - (a) a provision of the operative guideline appears to the magistrate or the court to be relevant to a matter that the prosecution must prove in order to establish the offence; and
 - (b) the prosecution has proved that the person failed to comply with the provision at the relevant time,

the prosecution may rely on the failure as tending to prove the matter.

- (4) However, subsection (3) does not apply if the person shows that, for the matter referred to in subsection (3)(a), a requirement alleged to have been contravened was complied with other than by complying with the provision of the operative guideline.”.

7. Section 32CA added

Part 5, after section 32C—

Add**“32CA. Burden of proof**

A person is taken to have shown a matter that needs to be shown under section 22A(3), (4), (5) or (6) or 22B(4) if—

- (a) there is sufficient evidence to raise an issue with respect to the matter; and
- (b) the contrary is not proved by the prosecution beyond reasonable doubt.”.

8. Section 32D amended (standards)

- (1) Section 32D(1)—

Repeal paragraph (iii)**Substitute**

“(iii) to control the level of non-ionizing electromagnetic radiation that is allowed to be emitted by telecommunications apparatus;”.

- (2) Section 32D(1)(iv), after “standards”—

Add

“in respect of telecommunications functions”.

9. Part 5C heading amended (appeals relating to section 7Q)

Part 5C, heading—

Repeal

“Relating to Section 7Q”.

10. Section 32L amended (interpretation)(1) Section 32L, definition of *appeal*, after “32N(1)”—**Add**

“or (1D)”.

(2) Section 32L, definition of *Appeal Board*—**Repeal**

“(Competition Provisions)”.

(3) Section 32L—

Repeal the definition of *appeal subject matter***Substitute**“*appeal subject matter* (標的事項) means the subject of an appeal;”.**11. Section 32M amended (establishment and membership of Appeal Board)**

(1) Section 32M, Chinese text, heading—

Repeal

“成立”

Substitute

“設立”.

(2) Section 32M—

Repeal subsection (1)**Substitute**

“(1) An appeal board is established with the name “Telecommunications Appeal Board” in English and “電訊上訴委員會” in Chinese.”.

12. Section 32N amended (appeals to Appeal Board)

Before section 32N(2)—

Add

“(1D) Also, a person aggrieved by—

- (a) a decision of the Authority to refuse to issue under section 7(5) a licence other than an exclusive licence;
- (b) a decision of the Authority to refuse to consent under section 7F(3) to the combining of telecommunications services;
- (c) a decision of the Authority to revoke under section 32K(2) a certificate of competency;
- (d) a decision of the Authority to suspend or revoke under section 32K(5) an authority to operate;
- (e) a decision of the authority concerned to cancel, withdraw or suspend under section 34(4) a licence, permit, permission or consent;
- (f) a determination of the Authority under section 36A(1) on the terms and conditions of interconnection;
- (g) a direction by the Authority under section 36AA(1) to coordinate and cooperate;
- (h) a direction by the Authority under section 36B(1);
- (i) a requirement by the Authority under section 36C(1) or (2) to pay a financial penalty; or

- (j) a requirement by the Authority under section 36C(3A) to disclose information or publish corrective advertisements,
may appeal to the Appeal Board against the decision, determination, direction or requirement.”.

13. Section 32O amended (procedure and powers of Appeal Board, etc.)

Section 32O(2)—

Repeal

“at any time before the opinion, determination, direction, decision, sanction or remedy referred to in section 32N(1)”

Substitute

“or the authority concerned at any time before the opinion, determination, direction, decision, sanction, remedy or requirement referred to in section 32N(1) or (1D)”.

14. Section 32P amended (privilege against disclosure)

Section 32P, after “Authority”—

Add

“(or the authority concerned)”.

15. Section 36C amended (Authority or court may impose financial penalties)

Section 36C(3A)(b), Chinese text—

Repeal

“啓示” (wherever appearing)

Substitute

“啟事”.

16. Section 45 added

After section 44—

Add

“45. Transitional and savings provisions—Telecommunications (Amendment) Ordinance 2021

(1) An act or thing that—

(a) has been done before the commencement date in the exercise of a power, or performance of a function or duty, by the former Appeal Board under the pre-amended Ordinance; and

(b) is in force immediately before the commencement date,

continues to be in force on or after the commencement date as if the 2021 Amending Ordinance had not been enacted.

(2) An appeal that is pending immediately before the commencement date is to be dealt with by the new Appeal Board under this Ordinance as amended by the 2021 Amending Ordinance on or after the commencement date.

(3) Section 32N(1D) applies only in relation to a decision, determination or requirement made, or a direction issued, on or after the commencement date.

(4) In this section—

2021 Amending Ordinance (《2021 年修訂條例》) means the Telecommunications (Amendment) Ordinance 2021 (of 2021);

commencement date (生效日期) means the date on which the 2021 Amending Ordinance comes into operation;

former Appeal Board (前上訴委員會) means the Appeal Board as defined by section 32L of the pre-amended Ordinance;

new Appeal Board (新上訴委員會) means the Appeal Board as defined by section 32L as amended by the 2021 Amending Ordinance;

pre-amended Ordinance (《原有條例》) means this Ordinance as in force immediately before the commencement date.”.

Part 3

Consequential Amendment to Communications Authority Ordinance (Cap. 616)

17. **Section 23 amended (offence to give or disclose information obtained or received officially)**

Section 23(5), definition of *court*—

Repeal

“(Competition Provisions)”.

Explanatory Memorandum

The objects of this Bill are to amend the Telecommunications Ordinance (Cap. 106) (*Ordinance*) to provide for non-carrier licences, requirements relating to work near underground telecommunications lines and related offences, to confine certain objectives of technical regulation to telecommunications matters, to cover new appeal subject matters, to make minor textual amendments, and to provide for related matters.

2. The Bill is divided into 3 Parts.

Part 1—Preliminary

3. Clause 1 sets out the short title and provides for commencement.

Part 2—Amendments to the Ordinance

4. Clause 3 adds the definitions of *operative guideline* and *underground telecommunications line* to section 2(1) of the Ordinance, which are necessary for the interpretation of the amendments to the Ordinance.
5. Clause 4 adds a new section 7AB to the Ordinance to empower the Secretary who is appointed by the Chief Executive for administering the Ordinance to specify a licence as a non-carrier licence.
6. Clause 5 adds a new section 18A to the Ordinance to provide for the requirements relating to work near underground telecommunications lines.
7. Clause 6 adds a new section 22A to the Ordinance to make it an offence for contravening the new section 18A of the Ordinance and to provide for the defences for the contravention. It also adds a new section 22B to the Ordinance to provide for the use of guidelines in criminal proceedings under the new section 22A of the Ordinance.

8. Clause 7 adds a new section 32CA to the Ordinance to make it clear that the evidential burden applies to the showing of a matter by a person under certain provisions in the new sections 22A and 22B of the Ordinance.
9. Clause 8 amends section 32D of the Ordinance to confine certain objectives of technical regulation to telecommunications matters.
10. Clause 11 amends section 32M of the Ordinance to change the name of the appeal board established under that section (*Appeal Board*).
11. Clause 12 amends section 32N of the Ordinance to cover new subject matters against which a person may appeal to the Appeal Board.
12. Clauses 13 and 14 amend sections 32O and 32P of the Ordinance respectively consequential to the amendment made by clause 12.
13. Clause 15 contains minor textual amendments to the Chinese text of section 36C of the Ordinance.
14. Clause 16 adds a new section 45 to the Ordinance to provide for the transitional and savings arrangements regarding the Appeal Board following the change in its name under clause 11, and to provide that the new subject matters under the amended section 32N of the Ordinance may be appealed against only if they arise on or after a certain date.

Part 3—Consequential Amendment to Communications Authority Ordinance (Cap. 616)

15. Clause 17 amends section 23 of the Communications Authority Ordinance (Cap. 616) consequential to the change in the name of the Appeal Board under clause 11.

**Economic, Sustainability, Financial and Civil Service Implications
of Telecommunications (Amendment) Bill 2021**

Economic Implications

The proposals would enhance the telecommunications regulatory framework to enable Hong Kong to meet challenges and seize the opportunities brought about by technological development. In particular, the simplified mechanism for issue of non-carrier licences will encourage and facilitate the creation and launch of new smart applications. The proposals will bring benefits to the general public through the creation of a more conducive business environment to facilitate investment, operation and innovation in the telecommunications industry.

Sustainability Implications

2. The proposals would help provide more effective regulatory control and improve the business environment for the telecommunications industry, thus contributing to the sustainable development of our city.

Financial and Civil Service Implications

3. In order to implement the proposals, additional manpower and funding resources have been secured through the established mechanism to assume the regulatory and enforcement role in enhancing protection of underground telecommunications infrastructure, to provide secretariat support to the expanded appeal board, to cope with additional workload for handling the possible increase of telecommunications appeal cases and the rationalisation of regulatory arrangements on telecommunications functions of 5G and IoT devices.

4. We will keep in view the additional workload arising after enactment of the Bill. Further additional resources, if required, will be sought and justified in accordance with the established mechanism.