For discussion on 18 June 2021

Legislative Council Panel on Home Affairs

Broadcasting Arrangements for the Tokyo Summer Olympic Games in Hong Kong

Purpose

This paper briefs Members on the broadcasting arrangements for the Tokyo Summer Olympic Games (TOG) in Hong Kong.

Background

- 2. The Olympic Games is the world's largest major sports event for top athletes that attracts worldwide attention. Over 3 billion viewers across the globe are expected to watch the events on television.
- 3. The TOG was originally scheduled for 24 July to 9 August 2020. As a result of the COVID-19 pandemic, the International Olympic Committee (IOC) decided to postpone the TOG to 23 July to 8 August 2021.
- 4. The IOC owns the broadcasting rights to the Olympic Games. Proceeds from the sale of such rights is a major source of its income. In 2015, Dentsu Inc, an advertising media company, purchased from the IOC the TOG broadcasting rights covering 22 countries and regions in Asia (including Hong Kong) for redistribution to various local broadcasters as an agent.
- 5. On 11 May 2021, the Government announced that it had acquired the TOG broadcasting rights for Hong Kong to ensure the public would have wide access to the coverage of the TOG on television free of charge, especially for all events competed by Hong Kong athletes, so that the public can support and cheer for them.

Broadcasting arrangements for the TOG

- 6. The Government has secured the support of the five local licensed television broadcasters (i.e. the three free-to-air television licence holders and two pay television licence holders) in broadcasting the TOG on their television platform. These five television broadcasters are Television Broadcasts Limited (TVB), Fantastic Television Limited (Hong Kong Open TV), HK Television Entertainment Company Limited (ViuTV), PCCW Media Limited (Now TV) and Hong Kong Cable Television Limited (i-CABLE).
- 7. The Government has reached broad agreement with these five broadcasters on the broadcasting arrangements for the TOG. The Government will cover the full cost of the broadcasting rights, while the participating broadcasters are required to take up the following obligations
 - (a) provide an aggregate of at least 900 hours of coverage on TOG events on free-to-air television, and at least 2 000 hours of coverage of TOG events on pay television;
 - (b) broadcast all TOG events competed by Hong Kong athletes;
 - (c) make all TOG coverage delivered on pay television available for viewing by the public free of charge through the broadcaster's online platform;
 - (d) provide appropriate coverage of the events and highlights of the Tokyo Paralympic Games (TPG) (details to be confirmed);
 - (e) produce specified number of hours of programmes for promoting the TOG/TPG and local sports. Programmes to promote the TOG/TPG should be aired prior to the relevant Games, while the obligation to produce and broadcast programmes for promoting the development of local sports would last for 12 months; and
 - (f) provide footages (such as event highlights) of the TOG and TPG for use by the Government (e.g. the Leisure and Cultural Services Department (LCSD), the Home Affairs Bureau (HAB) and the Radio Television Hong Kong (RTHK)).

The broadcasters are required to submit reports on, inter alia, the hours of broadcasting and viewership ratings after conclusion of the TOG and TPG in accordance with the Government's requirements.

- 8. Participating broadcasters should shoulder the full production cost in relation to the above broadcasting obligations and publicity/promotional programmes. They are free to solicit sponsorship and advertisements with no obligation to share revenue with the Government.
- 9. Participating broadcasters have decided to form and send a joint team to Tokyo for the handling of the on-site production there, which would include the coverage and filming inside competition venues so as to ensure full coverage of events competed by Hong Kong athletes for the public's viewing.
- 10. RTHK will broadcast highlights of the TOG and TPG events on a daily basis. Apart from the bilingual soundtracks in Chinese and English, the programmes will be presented with sign language and a third soundtrack presented in Urdu to make the event highlights of both Games available for enjoyment by the hearing impaired and the ethnic minority community. Persons with visual impairment may enjoy the event highlights with the aid of the audio description mobile application developed by RTHK.
- 11. According to the agreement signed between the Government and Dentsu Inc, the Government is allowed to exploit the broadcasting rights of the TOG in Hong Kong as the licensee. The Government may sub-license the rights to the five broadcasters holding a free-to-air or pay television licence in Hong Kong. The Government may not, however, sub-license the rights to any other person or organisation. The broadcasters who have been sub-licensed to use the rights are not allowed to further sub-license the rights to any third party.

One-off measure under the pandemic

- 12. The broadcasting rights to Olympic Games in Hong Kong have always been contested by television broadcasters through competitive bidding led by market forces and commercial considerations. The Government respects the free operation of the local broadcasting market and have made clear on multiple occasions in the past that we would not be involved in such bidding.
- 13. The Government took exception this time and decided to secure the broadcasting rights of the TOG, in view of the unprecedented impact of the COVID-19 pandemic in Hong Kong and the extremely challenging business environment besetting the local broadcasters. The Government firmed up the purchase decision and proceeded to sign the agreement with Dentsu Inc on 7 May 2021, only after it had become clear that all of the broadcasters had ended their discussion for buying

the rights. The Government has no intention of changing the competitive environment of the television broadcasting market. The purchase of the broadcasting rights of the TOG is a one-off initiative taken under the exceptional circumstances of a market failure.

Promotion of local sports development

14. The Olympic Games is the world's most significant and highest level major sports event. By ensuring the public would have wide access to coverage of the TOG on television, we can create greater interest in sports, encourage more people to become active, and foster a stronger sporting culture. This will in turn be beneficial to the development of elite sports, promotion of Hong Kong as a centre for major international sports events, and development of sports in the community.

Elite sports development

- 15. The Government is fully committed to supporting elite sports development. We established the Elite Athletes Development Fund (EADF) in 2011-12 to provide annual funding to the Hong Kong Sports Institute (HKSI) for training local elite athletes and providing them with comprehensive support services, including direct financial support, sports science and medicine support, fitness and conditioning, accommodation, meals, education, dual career and personal development. As at end May 2021, the balance of the EADF was about \$10.96 billion. With HKSI's comprehensive and long-standing support, Hong Kong athletes have made steady improvements in their performance in recent years and attained some remarkable results in various sports. The HKSI currently has 20 Tier A and 13 Tier B sports, as well as 6 Tier A and 3 Tier B disability sports.
- 16. As at 9 June 2021, Hong Kong athletes have gained qualification for 31 TOG events and 24 TPG events. These events are set out at the <u>Annex</u>. As part of the broadcasting arrangement, the participating broadcasters are required to produce promotional programmes on the TOG and TPG, and broadcast all events competed by Hong Kong athletes. We believe this would strengthen the public's support for our elite athletes.
- 17. The Government will continue to give our full support to Hong Kong athletes in their preparation for the TOG and TPG. The HKSI has implemented appropriate anti-epidemic measures to safeguard the health of our athletes and made flexible arrangements to adjust training programmes and competition plans to help them gradually improve their performance so that they would hopefully be hitting

top form and able to achieve the best possible results in Tokyo.

Promoting Hong Kong as a centre for major international sports events

- 18. The Government is committed to developing Hong Kong into a centre for major international sports events. In November 2004, the Major Sports Events Committee launched the "M" Mark System to support "national sports associations" (NSAs) to organise major international sports events in a sustainable way in Hong Kong. Not only does this give local athletes the opportunities to compete on home ground, but it also affords Hong Kong spectators the chance to enjoy more high level events and helps promote a strong sporting culture in the community.
- 19. In order to provide support for existing "M" Mark events and attract more new major international sports events to be hosted in Hong Kong, the Government announced in its 2018-19 Budget an allocation of \$500 million to the Major Sports Events Matching Grant Scheme (Matching Grant Scheme) to step up the provision of matching grant under the "M" Mark System with a view to encouraging the business and private sectors to increase the sponsorship amount in support of NSAs' hosting of more higher-level major sports events. The enhancement measures include topping up the matching grant per event to \$10 million; expanding the funding scope to cover exhibition matches or tournaments organised by NSAs that draw participation of world-class top athletes and a huge number of spectators; and enhancing the flexibility in the use of event surplus so as to encourage NSAs to more actively seek commercial sponsorship.
- 20. Since the implementation of the Matching Grant Scheme in April 2019, a total of 38 "M" Mark event applications have been received so far. While four and 16 of these events have been cancelled or postponed respectively due to social incidents and the COVID-19 pandemic, nine events awarded with "M" Mark status have been successfully held, including the 2021 Tissot UCI Track Cycling Nations Cup Hong Kong, China held last month.
- 21. As the first "M" Mark event held under the pandemic, the 2021 Tissot UCI Track Cycling Nations Cup Hong Kong, China adopted strict "safety bubble" arrangements. The hosting of this cycling event demonstrated to the world Hong Kong's capability in organising major sports events under extremely challenging circumstances, enhancing Hong Kong's reputation as a centre for major international sports events. It also allowed Hong Kong's cycling team to compete with the world's top cyclists as a way to aptly prepare themselves for the TOG. We are processing nine applications for events planned for the second half of this year, and hope to resume more major sports events in a gradual and orderly manner while effectively controlling the pandemic.

22. With the arrangements in place for extensive television coverage of the TOG, we hope to build up an atmosphere for the mega sports events across the territory and encourage a wider and more active participation for the next "M" Mark events.

Promotion of sports in the community

- 23. The Government encourages regular participation in sports and fosters a strong sporting culture through our community sports programmes. At present, promotion of sports in the community accounts for the lion's share of the Government's recurrent expenditure on sports development. In 2020-21, the allocation on community sports amounted to \$5.08 billion, accounting for about 85% of the overall expenditure on sports development. A wide variety of community sports activities at different levels are provided by the Government and other relevant organisations (including HAB, LCSD, the Department of Health, the Education Bureau, the Sports Federation & Olympic Committee of Hong Kong, China, NSAs, district sports associations, other sports organisations and schools) to encourage regular participation in sports activities by people of different social strata, abilities and interests.
- 24. Extensive free coverage of the TOG on television can enhance the public's understanding and interest in sports. This is perfectly in line with the Government's objective in promoting sports development in the community. By requiring the participating broadcasters to produce and broadcast specified number of hours of programmes promoting a sporting culture and local sports development for one year after the conclusion of the TOG, the Government hopes to be able to sustain the promotional effects on television beyond the period of the Games.

Arts and Sport Development Fund (ASDF)

- 25. The cost of the broadcasting rights for the TOG will be absorbed by the ASDF (Sports Portion).
- 26. The ASDF, a sub-fund under the Sir David Trench Fund for Recreation, was established to support the implementation of projects that can make significant contributions to the development of arts and sports in Hong Kong. The Secretary for Home Affairs is the approving authority for applications under the ASDF. The ASDF is made up of the Arts Portion and the Sports Portion. The Sports Portion has been an important source of funding for sports development and promotion in Hong Kong. Currently, the ASDF (Sports Portion) is used mainly for: (i)

supporting athletes' preparation and participation in major international games, National Games and competitions of different sports at World and Asian levels; (ii) hosting sports events in Hong Kong; (iii) promoting the development of local football; (iv) supporting the development of team sports; and (v) supporting other one-off initiatives of great significance to the development and promotion of sports in Hong Kong.

27. The acquisition of the television broadcasting rights for the TOG in Hong Kong, a one-off initiative of great significance to the development and promotion of sports in Hong Kong, is within the funding scope of the ASDF. With a current balance of about \$2.62 billion, the ASDF (Sports Portion) has sufficient resources to absorb the cost of the TOG broadcasting rights. The relevant funding support will not adversely impact on funding applications from other sports projects.

Advice sought

28. Members are invited to note and give their views on the broadcasting arrangements for the TOG and TPG in Hong Kong.

Home Affairs Bureau June 2021

Annex

Hong Kong, China Delegation - Qualifications

(A) 2020 Tokyo Olympic Games

As at 9 June 2021, the Hong Kong, China Delegation has qualified for 31 Olympic events, covering 11 sports.

Sports	Events	Athletes	
Badminton	Men's Singles	Ng Ka Long Angus	
	Women's Singles	Cheung Ngan Yi	
	Mixed Doubles	Tang Chun Man	
		Tse Ying Suet	
Cycling	Men's Road Race	1 male athlete (pending selection)	
	Women's Keirin	2 famala athlatas (non din a salaation)	
	Women's Sprint	2 female athletes (pending selection)	
	Women's Madison	2 female athletes (pending selection)	
	Women's Omnium		
Equestrian	Individual Eventing	Ho Thomas Edward Heffernan	
	Men's Individual Foil	Choi Chun Yin Ryan	
		Cheung Ka Long	
		Cheung Siu Lun	
		Choi Chun Yin Ryan	
	Men's Team Foil	Cheung Ka Long	
		Cheung Siu Lun	
Fencing		Ng Lok Wang Lawrence	
Telicing	Women's Individual Épée	Kong Man Wai Vivian	
		Hsieh Kaylin Sin Yan	
		Lin Yik Hei Coco	
	Women's Team Épée	Kong Man Wai Vivian	
		Hsieh Kaylin Sin Yan	
		Lin Yik Hei Coco	
		Chu Ka Mong	
Gymnastics	Men's Vault	Shek Wai Hung	
Karate	Women's Kata	Lau Mo Sheung Grace	
Rowing	Women's Single Sculls	Hung Wing Yan	
Sailing	Women's Laser Radial	Stephanie Louise Norton	
Swimming	Women's 50m Freestyle	Siobhan Haughey	
	Women's 100m Freestyle	Siobhan Haughey	
	Women's 200m Freestyle	Siobhan Haughey	
	Women's 100m Backstroke	Au Hoi Shun	
	Women's 4x100m Freestyle Relay	4 female athletes (pending selection)	
	Women's 4x100m Medley Relay	4 female athletes (pending selection)	
	Women's 4x200m Freestyle Relay	4 female athletes (pending selection)	

Sports	Events	Athletes
Table Tennis	Men's Singles	Wong Chun Ting
		Lam Siu Hang
	Men's Team	Wong Chun Ting
		Lam Siu Hang
		Ho Kwan Kit
		Ng Pak Nam (reserve)
	Women's Singles	Doo Hoi Kem
		Soo Wai Yam Minnie
	Women's Team	Doo Hoi Kem
		Soo Wai Yam Minnie
		Lee Ho Ching
		Zhu Chengzhu (reserve)
	Mixed Doubles	Wong Chun Ting
		Doo Hoi Kem
Windsurfing	Men's RS:X	Cheng Chun Leung
	Women's RS:X	Chan Hei Man

(B) 2020 Tokyo Paralympic Games

As at 9 June 2021, the Hong Kong, China Delegation has qualified for 24 Paralympic events, covering 8 sports.

Sports	Events	Athletes	
Archery	Men's Individual Compound Open	Ngai Ka Chuen	
Athletics	To be confirmed	2 athletes (pending selection)	
Badminton	Men's Singles WH2	Chan Ho Yuen	
	Men's Singles SH6	Chu Man Kai	
Boccia	BC2 Individual	Yeung Hiu Lam	
	BC3 Individual/Pairs	3 athletes (pending selection)	
	BC4 Individual/Pairs	3 athletes (pending selection)	
Equestrian	Individual Championship Grade I/Grade III	Tse Pui Ting Natasha	
	Individual Championship Grade I/Grade III	Tsang Tin Chi Timothy	
	Individual Championship Grade III	Schrader Fleur	
Swimming	To be confirmed	4 athletes (pending selection)	
Table Tennis	Women's Singles TT11	Ng Mui Wui	
	Women's Singles TT11	Wong Ting Ting	
	Women's Foil Individual Cat. A	Yu Chui Yee	
	Women's Épée Individual Cat. A		
Wheelchair	Women's Foil Individual Cat. B	Chung Yuen Ping	
Fencing	Women's Épée Individual Cat. B		
	Women's Foil Team	3 female athletes	
	Women's Épée Team	(pending selection)	