

## CHAPTER 6

# Review of the Communications Authority's Major Tasks

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## Broadcasting

### 6.1 Mid-term Review of Free TV and Sound Broadcasting Licences

In 2020/21, the Authority commenced a mid-term review exercise for the free TV licences of HKTVE, TVB and Fantastic TV and the sound broadcasting licences of CRHK and Metro. In accordance with the established practice, the Authority will examine the performance of the licensees in respect of their compliance with the statutory requirements, licence conditions and codes of practice as well as their investment commitments in the past six years and the remaining six years of their licences. To gauge public views on the services provided by the licensees, the Authority conducted a public consultation exercise, including a public opinion survey, online consultation sessions and focus group discussions, in the third and fourth quarters of 2021. The Authority will exercise due diligence in reviewing the past performance and future commitments of the licensees and the views of the industry and the public, before submitting its recommendations to the CE in C for consideration. The Authority will complete the exercise in 2022.

### 6.2 Grant of the Approval-in-Principle to Fantastic TV for Using Spectrum as an Additional Transmission Means

During the period under review, the Authority processed the application by Fantastic TV for employing spectrum in the 478 – 486 MHz<sup>28</sup> band

as an additional means of transmission other than a fixed network for the delivery of its free TV service. The Authority noted that assigning spectrum to Fantastic TV for transmission of its free TV service would enable Fantastic TV to enhance its service coverage and launch a new television programme channel in addition to its existing two integrated channels, hence providing more programme choices to more households. Having satisfied that Fantastic TV has demonstrated its commitments to comply with all the additional conditions the Authority has imposed that are pertinent to spectrum assignment, the Authority decided in April 2021 to grant an approval-in-principle for using spectrum to Fantastic TV. The Authority will monitor Fantastic TV's progress in fulfilling its commitments and compliance with the terms and conditions of the approval-in-principle before granting a formal approval of its application.

### 6.3 Relaxation of the Television and Radio Codes of Practice

In 2020/21, the Authority relaxed the regulations governing real property advertisements, sponsorship of live and related sports events programmes and the broadcast hours of mature programmes, having taken into account views received from the industry and the public in the consultation exercise. In short, advertisements for real properties already regulated under other regimes were exempted from the substantiation requirements but such advertisements should continue to be subject to the provisions governing factual accuracy and truthful presentation

<sup>28</sup> The abovementioned band was used by two free TV licensees (i.e. TVB and HKTVE) for transmission of their relevant television programme channels but was vacated by 1 December 2021 upon the completion of migration of relevant digital terrestrial television frequency channels.

of information as well as compliance with all applicable laws. Advertising materials were allowed to be inserted in sports events and other live events programmes subject to certain conditions/restrictions. The start of broadcast hours for mature programmes on free TV was advanced from 11:30 p.m. to 11:00 p.m. The accordingly revised Codes of Practice were published in the Gazette on 25 September 2020 and took effect on the same day. The Authority considered that the above relaxations would provide licensees with more flexibility in their business operations without compromising the interests of the audience.

#### 6.4 Non-domestic and Other Licensable TV Licences

During the period under review, the Authority approved one application for renewal of non-domestic TV licence by APT Satellite TV



Development Limited, and approved two applications for renewal of other licensable TV licences for the provision of television programme services in hotel rooms in Hong Kong by Showers of Blessing Evangelistic Ministry (Hong Kong) Limited and Swire Properties Hotel Management Limited. The Authority also accepted the termination of the non-domestic TV licences by China Satellite TV Group Company Limited and Health TV Company Limited.

#### 6.5 Processing Complaints Relating to Broadcasting Services

##### Overview of the Complaints Processed

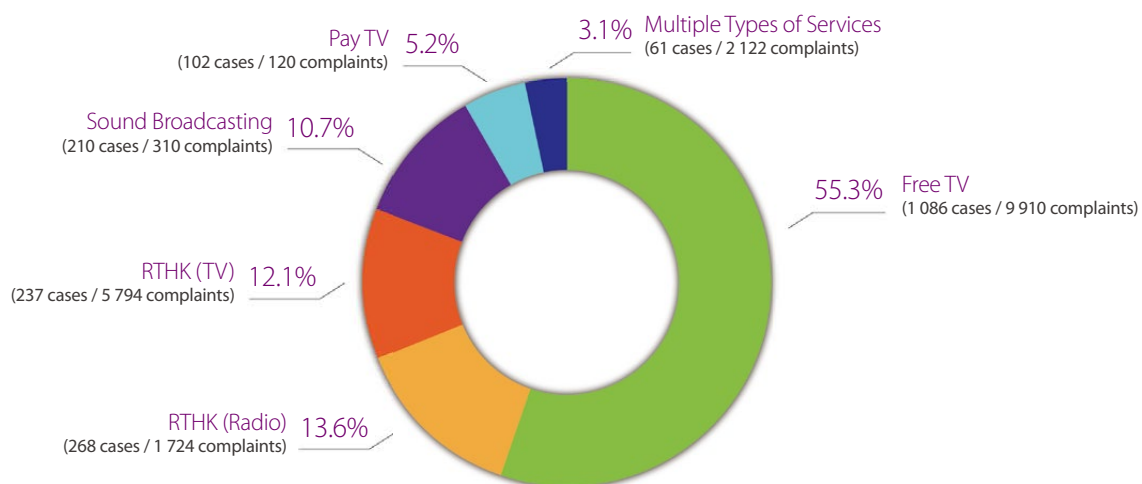
During the period from April 2020 to March 2021, the Authority processed a total of 1 964 cases (19 980 complaints)<sup>29</sup> relating to the materials broadcast by broadcasters, representing a substantial increase of 65% in the number of cases<sup>30</sup> but a decrease of 10% in the number of complaints processed<sup>31</sup>, as compared with the figures during the same period in the previous year (1 189 cases, 22 179 complaints). Breakdown of all the complaint cases by broadcasting service and broadcaster processed during the period is shown in **Figure 15** and **Figure 16** respectively.

29 To ensure operational efficiency, complaints with similar allegations relating to the same issue or broadcast material are handled together and counted as a single case.

30 The increase in the number of complaint cases processed in 2020/21 was mainly attributed to over 600 complaint cases concerning social unrest.

31 The decrease in the number of complaints processed in 2020/21 was mainly attributed to three complaint cases concerning social unrest processed in 2019/20 which gave rise to a total of over 17 000 complaints that year.

**Figure 15:** Distribution of All Complaint Cases by Broadcasting Service Processed in 2020/21



**Figure 16:** Distribution of All Complaint Cases by Broadcaster Processed in 2020/21

Broadcasters Involved	No. of Complaint Cases	No. of Complaints Involved
TVB	1 002	9 517
HKTVE	40	62
Fantastic TV	37	43
HKCTV	65	70
PCCW Media	37	50
CRHK	192	291
Metro	18	19
RTHK (TV)	237	5 794
RTHK (Radio)	268	1 724
Multiple Broadcasters	68	2 410
<b>Total</b>	<b>1 964</b>	<b>19 980</b>

Among all the complaint cases processed by the Authority, DG Com handled 1 939 cases (10 866 complaints) under the powers delegated by the Authority. These complaints involved breaches of a minor nature, or contained allegations which did not constitute any breach or were outside the remit of section 11(1) of the B(MP)O (i.e. the allegations concerned matters not regulated under the relevant legislation, licence conditions or codes of practice). The Authority dealt with 25 cases (9 114 complaints). Outcomes of all the complaints

processed by the Authority during this period are listed in **Figure 17**.

### Complaints Dealt with by the Authority

Among the 25 complaint cases dealt with by the Authority, nine concerned free TV services (involving 2 259 complaints, which accounted for 24.8% of the total number of complaints dealt with by the Authority). A breakdown of these complaint cases by broadcasting service is shown in **Figure 18**.

**Figure 17:** Outcomes of all the Complaints Dealt With by the Authority and DG Com

	Within Section 11(1) of B(MP)O				Outside Section 11(1) of B(MP)O	Total
	Substantiated		Unsubstantiated			
	The Authority	DG Com	The Authority	DG Com	DG Com	
No. of Cases	18	128	7	1 309	502	<b>1 964</b>
No. of Complaints	3 739	297	5 375	9 789	780	<b>19 980</b>

**Figure 18:** Breakdown of Complaint Cases Dealt With by the Authority by Broadcasting Service

Types of Broadcasting Service	No. of Complaint Cases	No. of Complaints Involved
Free TV	9	2 259
Pay TV	1	1
Sound Broadcasting	3	3
RTHK (TV)	8	3 983
RTHK (Radio)	3	964
Multiple Types of Services	1	1 904

Regarding the nature of the broadcast materials involved in the 25 complaint cases dealt with by the Authority, 24 of them were related to programmes while one was on advertisement. 18 of them were substantiated, among which six cases were related to denigrating remarks, unfairness in factual programmes and/or the rules on personal view programmes; four cases were related to indirect advertising; three cases concerned accuracy in news programmes or documentaries; three cases

concerned broadcast of promotional materials or advertisements for liquor products during the family viewing hours; and the remaining two cases were related to the use of foul language or indecent remarks. The Authority issued one serious warning, four warnings, four pieces of strong advice and eight pieces of advice to the broadcasters concerned. A breakdown of the decisions of the Authority on the complaints dealt with in 2020/21 is shown in **Figure 19**.

**Figure 19:** Decision of the Authority on Complaint Cases in 2020/21

Decision of the Authority	TVB	FANTASTIC TV	HKCTV	PCCW MEDIA	CRHK	METRO	RTHK	Total
No Further Action	3	0	1	1	0	0	6	11 <sup>Note 1,2</sup>
Advice	3	3	1	0	0	0	1	8
Strong Advice	1	0	0	0	2	0	1	4
Warning	0	0	0	0	0	1	3	4
Serious Warning	0	0	0	0	0	0	1	1
Financial Penalty	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>12</b>	<b>28</b>

Note 1: There was one substantiated complaint case for which no further action was taken against the broadcaster concerned having taken into account, among others, that the broadcaster relayed the programme with little discretion over its content.

Note 2: There was one unsubstantiated complaint case involving four broadcasters (viz. TVB, HKCTV, PCCW Media and RTHK) and no further action was taken against them.

## Telecommunications

### 6.6 Assignment of Spectrum for 5G Services

#### Making 5G Spectrum Available in Multiple Frequency Bands

In 2019, the Government assigned about 2 000 MHz of radio spectrum in the 3.3 GHz, 3.5 GHz, 4.9 GHz, and 26 GHz and 28 GHz bands in a timely manner for use in public mobile telecommunications including the provision of 5G services. Separately, 400 MHz of shared spectrum in the 26 GHz and 28 GHz bands was assigned to the Airport Authority for innovative 5G applications in support of the smart airport development in October 2019. Starting from April 2020, MNOs launched their commercial 5G services in Hong Kong. As at March 2021, 5G coverage in Hong Kong has reached over 90% of the population, covering major shopping centres and more than 50 mass transit railway stations.

In order to meet the needs of various 5G applications in terms of speed, capacity and coverage, more spectrum in different frequency bands would be released to the market. The Authority and SCED jointly launched two public consultations in the third quarter of 2020 and subsequently promulgated joint statements on 30 March 2021 on the arrangements for frequency allocation and assignment of additional 5G spectrum in the 600 MHz, 700 MHz and 4.9 GHz bands and the related spectrum utilisation fee (SUF). Pursuant to the above joint statements, a total of 220 MHz of new spectrum in the above three bands

will be assigned by way of auction in the fourth quarter of 2021.

With the sustained enhancement of 5G services and the growing availability of 5G equipment and consumer products, 5G services will revolutionise mobile user experience with empowerment by its excellent technical capabilities of high speed, high capacity, high reliability, massive connectivity, and low latency communications. It is widely expected that 5G will open up vast potential for various commercial and smart city applications.

### 6.7 Facilitating the Rollout of 5G Networks

For the deployment of 5G services in Hong Kong, MNOs are required to establish a larger number of radio base stations (RBSs) as compared with previous generations of mobile services. To facilitate the expedient and effective rollout of 5G networks, the Authority supported the Government in launching a pilot scheme in March 2019 to open up more than 1 000 suitable government premises for MNOs to install RBSs with a streamlined approval process. OFCA has set up a dedicated team to coordinate with MNOs and relevant government departments on the matters concerned, and issued the "Guidance Notes for Submission of Applications under the Pilot Scheme for Installation of Radio Base Stations at Selected Government Venues" to set out the principles, requirements and streamlined procedures in respect of the applications under the scheme. The scheme has been well received by the industry<sup>32</sup>. As a further policy initiative to facilitate 5G network rollout, MNOs will also be assisted

32 As at June 2021, 149 applications were received under the scheme, of which 81 were approved.





under a “demand-led” model to identify and gain access to more suitable government premises for installation of RBSs.

OFCA has also been working closely with the industry to identify suitable street level furniture and public facilities for the installation of RBSs, such as public payphone kiosks, sheltered bus stops, smart lampposts, etc. In respect of public payphone kiosks and sheltered bus stops, the Authority issued the “Guidelines on the Use of Public Payphone Kiosks for the Installation of Radio Base Stations for Provision of Public Mobile Services” and the “Guidelines on the Use of Sheltered Bus Stops for the Installation of Radio Base Stations for Provision of Public Mobile Services” in April and November 2020 respectively. OFCA will continue to work with the industry and the relevant government departments in identifying other suitable street furniture and public facilities for installation of RBSs.

Following the outcome of a consultancy study commissioned by OFCA, existing SMATV systems installed in buildings for receiving and distributing satellite television signals to occupants need to be upgraded for co-existence with 5G systems operating in the adjacent 3.5 GHz band starting from 1 April 2020. The Authority is mindful of the cost required for upgrading the existing SMATV systems and has implemented a subsidy scheme for supporting the SMATV owners to upgrade their existing SMATV systems. With funding provided by the four MNOs using the 3.5 GHz band and as jointly elected by these MNOs to administer the scheme, OFCA launched the subsidy scheme that was closed in November 2020 after 12 months’ operation to support the upgrading of existing SMATV systems. A total of 1 039 applications were successfully processed and a one-off subsidy of \$20,000 was granted to the applicant of each successful application for upgrading the SMATV system concerned. Following the completion of the scheme, the remaining fund was returned to the four MNOs.



In order to ensure efficient operation of 5G networks in the 3.3 GHz and 3.5 GHz bands, having consulted all MNOs, the Authority issued the "Guidelines for Setting the Frame Structure of Mobile Networks Operating in Time-Division-Duplex Mode in the 3.3 – 3.6 GHz Band" in April 2020 which have been observed by all MNOs in their 5G network settings. The Authority will continue to provide technical guidance to the industry as necessary to facilitate effective implementation of 5G networks in Hong Kong.

## **6.8 Facilitating Development of Wireless Internet of Things Services and Localised Wireless Broadband Services**

Since the creation of a new licensing regime in December 2017 for the provision of WIoT platforms and services using the shared frequency band of 920 – 925 MHz by the Authority, three WIoT licences were issued as at March 2021. Meanwhile, the existing MNOs may also make use of the frequency spectrum assigned to them under their UCLs to provide WIoT services by adopting mobile technology such as Narrowband Internet of Things and 5G technology that enables massive IoT connections. Furthermore, with the introduction of the WIoT device fee under the SBO licence from August 2020, any WIoT devices operated under the SBO licence are also subject to the same fee of \$2 per device, which is on par with the fee level under the WIoT licence and UCL. The Authority will continue to facilitate the development and competitive supply of WIoT services in Hong Kong.

The 5G technology supports the development of new telecommunications infrastructure to cater for a wide variety of innovative services and applications. The Authority created a new Localised Wireless Broadband Services licence in July 2019 which allows the assignment of 400 MHz of the shared spectrum in the 26 GHz and 28 GHz bands to different spectrum assignees on a geographically shared basis to facilitate the development of innovative 5G and smart city applications at specified locations, such as airport, university campuses, industrial estates and technology parks. The CA will continue to update the licensing regime to cater for market development such as addressing potential demand for the operation of smaller scale 5G private systems by different industries and entities in localised areas.

## **6.9 Re-assignment of Frequency Spectrum in the Different Bands (900 MHz and 1800 MHz Bands, 850 MHz band and 2.5/2.6 GHz bands)**

On 12 January 2021, 50 MHz of spectrum in the 900 MHz band was successfully handed over to assignees on a new 15-year term upon expiry of the previous assignment term. On the other hand, 150 MHz of spectrum in the 1800 MHz band was re-assigned in September 2021. While 20 MHz of spectrum in the 1800 MHz band was re-assigned administratively to each of the four incumbent MNOs, the remaining 70 MHz of spectrum was re-assigned to the four operators pursuant to the results of the auction conducted in December 2018. Similar to the re-assignment exercise for the spectrum in the 900 MHz band, as some of

the frequency assignments in the 1 800 MHz band changed hands upon commencement of the new 15-year term of assignments, OFCA had coordinated with all incumbent and new assignees of the spectrum to ensure a seamless transition in September 2021.

Meanwhile, the Authority and SCED jointly launched two public consultations in the third quarter of 2020 and subsequently promulgated joint statements on 30 March 2021 on the arrangements for re-assignment of the spectrum 15 MHz of spectrum in the 850 MHz band and 90 MHz of spectrum in the 2.5/2.6 GHz bands upon expiry and the related SUF. In view of the existing assignee's return of the spectrum in the 850 MHz band in June 2021, the term of the new assignment of the spectrum concerned will commence around end-2021 after conclusion of the auction. As to the spectrum in the 2.5/2.6 GHz bands, the term of new assignments will commence from 31 March 2024 following expiry of the existing assignments. Taken together, 105 MHz of spectrum in the above two bands will be re-assigned by way of auction.

### **6.10 Phasing out of 2G services to reform spectrum by some Mobile Network Operators**

OFCA has received applications from some MNOs to seek the Authority's approval to cease their provision of 2G services pursuant to the relevant licence condition, which requires the licensee to make proper and appropriate arrangements for the affected customers to the satisfaction of the Authority before ceasing to provide a generation of mobile service. The Authority has approved the application of Hutchison Telephone Company Limited to cease the provision of all its 2G services

starting from 30 September 2021, so as to reform the spectrum previously supporting 2G services for new services or improving existing services. The Authority will consider any proposal from other MNOs and carefully examine the arrangements for the affected customers before approval.

### **6.11 Implementation of the Real-name Registration System for SIM Cards**

In order to safeguard the integrity of the telecommunications services as well as the telecommunications network in Hong Kong, the Government has, after conducting a seven-week public consultation, introduced the Real-name Registration Programme for SIM cards (Registration Programme) essentially to tackle the loophole arising from the anonymous nature of pre-paid SIM cards. The Registration Programme was generally supported by the public and various stakeholders including the telecommunications operators. To implement the Registration Programme, the Telecommunications (Registration of SIM Cards) Regulation (Registration Regulation) was enacted and took effect on 1 September 2021, denoting the commencement of the Registration Programme.

Pursuant to section 14 of the Registration Regulation, the Authority issued a set of guidelines in August 2021 to provide practical and administrative guidance on the requirements of the Registration Regulation for the licensees to implement the Registration Programme. The guidelines took effect upon commencement of the Registration Programme on 1 September 2021. With the support from OFCA, the Authority will ensure the smooth implementation of the Registration Programme.

### 6.12 Enhancement of the Registration System for Class Licence for Offer of Telecommunications Services

The Class Licence for Offer of Telecommunications Services (CLOTS) regulates persons who offer telecommunications services to the general public without the establishment of any means of telecommunications. Previously only CLOTS licensees with a customer base of 10 000 subscriptions or more were required to register their business information with the Authority. As at March 2021, 21 CLOTS licensees were registered. To ensure full compliance with the Registration Programme, the Authority has enhanced the registration system for CLOTS in June 2021 such that all licensees offering SIM services during the course of business, irrespective of the size of their customer base, are required to register their information with the Authority.

### 6.13 Enhancement of Licensing Regime and Streamlining the Regulatory Practices for Services-based Operators

In order to enhance the licensing regime and streamline the regulatory practices for SBOs, since August 2020, the Authority has (a) extended the period of validity of the SBO licence from one year to two years with a view to enhancing regulatory certainty; (b) streamlined the categories of services authorised under the SBO licence; and (c) adopted a new licence fee structure to ensure regulatory symmetry between the SBO licence and other licences providing similar services.

### 6.14 Review of the Number of Public Payphones under the Universal Service Obligation

Public payphone is a basic service which the universal service provider (USP) is required to provide under its Universal Service Obligation (USO). The cost of providing a public payphone service subject to the USO is shared by the fixed and mobile service providers. In view of the diminishing demand for public payphone service in recent years, the Authority announced in June 2017 to embark on a review to determine the reasonable number of public payphones that should be subject to the USO.

The review was completed in 2019 in accordance with the guiding principles laid down by the Authority. For in-building type public payphones, the Authority decided to exclude 515 in-building type public payphones (about 35% of the total number of in-building type public payphones) from the USO. All the excluded in-building type public payphones have been removed by the USP.

For kiosk type public payphones, the Authority decided to exclude 765 kiosk type public payphones (about 50% of the total number of kiosk type public payphones) from the USO. As at March 2021, the USP has removed 668 excluded payphones from various locations. Meanwhile, the USP decided to retain a small number of excluded payphones at its own cost.

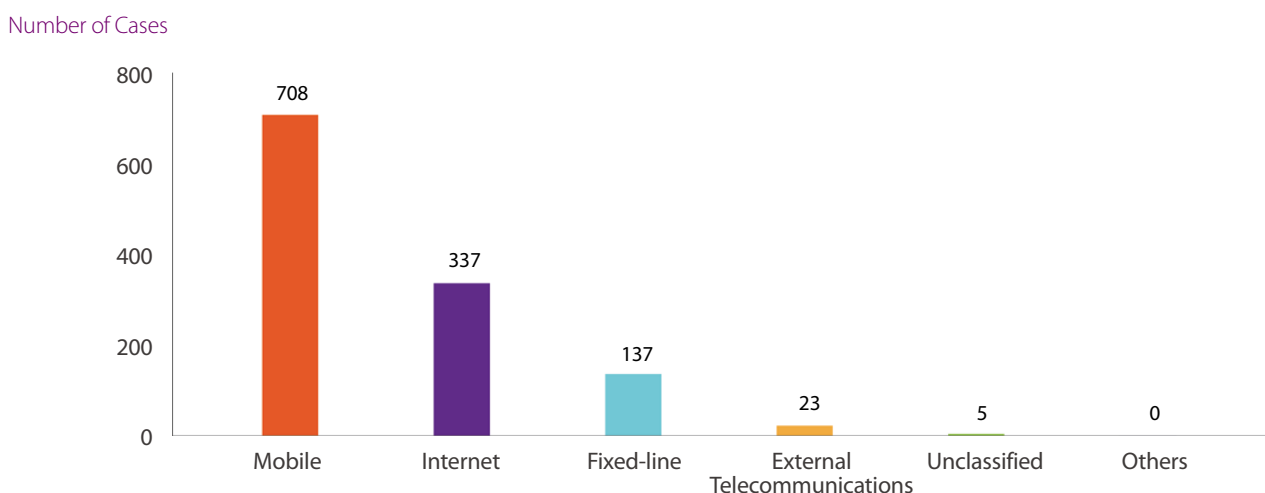
## 6.15 Processing Complaints Relating to Telecommunications Services

As the telecommunications market is fully liberalised and highly competitive, the Authority has adopted a light-handed regulatory approach. The Authority investigates consumer complaints against telecommunications operators if there is sufficient evidence to establish a prima facie case on possible breaches of any provisions under the TO, licence conditions or other relevant legislation which the Authority has jurisdiction to enforce, namely, TDO and CO. For other consumer complaints not involving any breach of the TO, licence conditions or other relevant legislation, it is the responsibility of the telecommunications operators to resolve the matters under complaint with their customers. The Authority would take note of their handling of the consumer complaints received and take necessary actions if any systemic issue is identified.

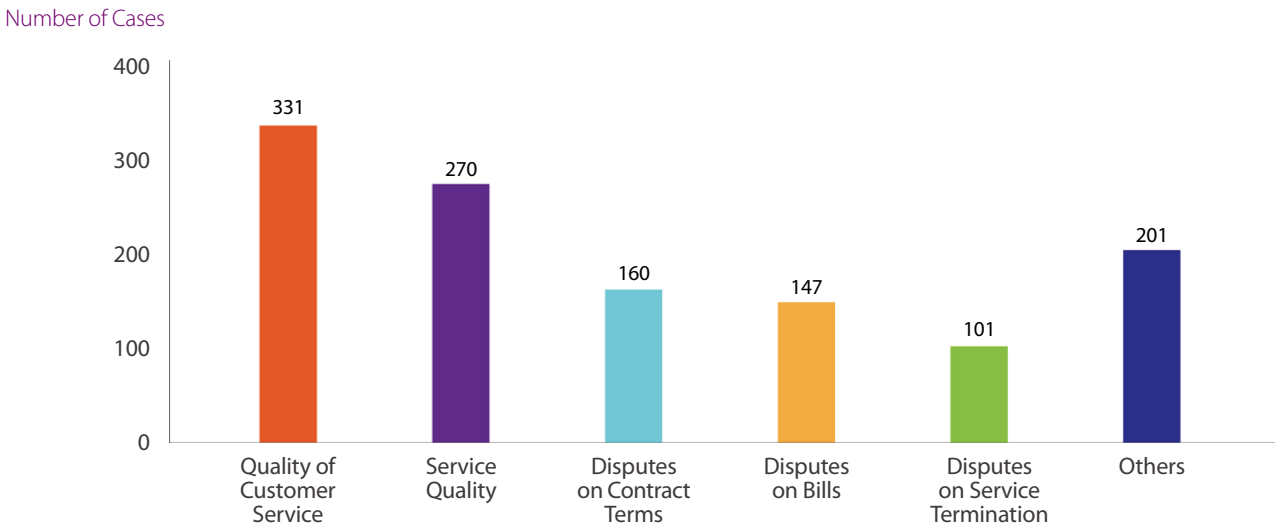
During the year under review, the Authority received a total of 1 210 consumer complaints relating to telecommunications services, representing a reduction of 2% compared to 1 234 complaints in the previous year. Among them, 708 cases (58.5%) were related to mobile services, 337 cases (27.9%) were related to Internet services, 137 cases (11.3%) were related to fixed-line services and 23 cases (1.9%) were related to external telecommunications. On the nature of complaints, the Authority received the largest number of complaints relating to customer service quality (331 cases or 27.4%), while complaints about service quality (270 cases or 22.3%) and disputes on contract terms (160 cases or 13.2%) ranked second and third respectively.

Breakdown of complaint cases by types of telecommunications services and nature of complaints received by the Authority during the period are shown in **Figure 20** and **Figure 21** respectively.

**Figure 20:** Distribution of Complaint Cases by Types of Telecommunications Services Received by the Authority in 2020/21



**Figure 21:** Distribution of Complaint Cases by Nature of Complaints Received by the Authority in 2020/21



Note: Types of complaint cases grouped under “others” include cases involving collection of overdue payment, porting of telecommunications numbers, application or suspension of telecommunications services, etc.

Among the 1 210 complaint cases received, 1 209 (99.9%) were outside the Authority’s jurisdiction. For the remaining one case (0.1%), it involved allegation regarding incorrect billing information by an internet service provider. No case was found to be in breach of TO or licence conditions after investigation.

### 6.16 Strengthening Consumer Protection in the Use of Telecommunications Services

#### Consumer Protection Measures Adopted in the Telecommunications Industry

In order to safeguard consumer interests in the use of telecommunications services, OFCA takes proactive actions to implement various consumer protection measures and works with the industry to draw up and implement self-regulatory measures

for addressing new consumer issues that may arise from time to time.

These measures include the voluntary Customer Complaint Settlement Scheme (CCSS) administered by the Communications Association of Hong Kong, an industry association. The CCSS aims to help resolve billing disputes in deadlock between telecommunications service providers and their customers through mediation.

Other self-regulatory measures voluntarily implemented by the industry include promulgation of the Code of Practice for Telecommunications Service Contracts to improve the clarity of provisions in the telecommunications service contracts, as well as the Code for the Provision of Chargeable Mobile Content Services to govern the practices of third-party content service providers.

Other measures include implementation of mobile bill shock preventive measures as well as publication of details of the arrangements adopted by major residential broadband service providers to handle service termination requests from consumers on OFCA's website.

OFCA will continue to monitor the implementation and effectiveness of the various consumer protection measures adopted, and where necessary engage the industry to seek further improvement of the existing measures or introduce new measures.

### **Enhancement of the Broadband Performance Test System**

Since December 2010, OFCA has been providing a broadband performance test system enabling fixed and mobile broadband service users to measure the performance of their broadband connections, including download and upload speeds, network latency, packet loss and jitter. Apart from users of desktop and notebook computers, users of smart phones and tablets running iOS and Android operating systems may also make use of the test system.

From time to time, OFCA reviews and upgrades the test system to further enhance its capability and performance. From September 2020 onwards, it supports speed tests up to 10 Gbps for desktop users and 1 200 Mbps for mobile device users. As at March 2021, more than 105 million tests were performed.

### **Consumer Education Programmes**

During the year, the Authority continued to arrange publicity activities and disseminate consumer messages through different media channels. Apart

from the well-established Facebook fan page "Communications Master• OFCA", a new social media channel on Instagram was launched in February 2021 primarily for the younger generation. Various consumer information and tips were conveyed to the public through these two social media platforms to enable better understanding on smart use of communications services.

The fully re-designed and upgraded version of the websites of the Authority and OFCA were launched in March 2021. Apart from having brand new designs to enhance the corporate images of the Authority and OFCA, the websites also adopted a mobile-friendly design that enabled the general public to have better browsing experience on different mobile devices.

### **6.17 Enforcement of the Fair Trading Sections of the Trade Descriptions Ordinance**

The fair trading sections of the TDO prohibit certain specified unfair trade practices by traders in the provision of goods and services to consumers. The Authority is conferred concurrent jurisdiction with the C&ED to enforce the fair trading sections of the TDO in relation to the commercial practices of licensees under the TO and the BO directly connected with the provision of telecommunications and broadcasting services. The two enforcement agencies have entered into a memorandum of understanding (MoU) to coordinate the performance of their functions under the fair trading sections of the TDO and have issued a set of enforcement guidelines to provide guidance for traders and consumers as to the operation of the fair trading sections.



From 1 April 2020 to 31 March 2021, the Authority handled a total of 264 complaint cases under the TDO, of which 207 were closed for insufficient evidence to suspect/establish a contravention or falling outside the scope of the TDO; three were closed after the issue of advisory letters to the licensees concerned to draw their attention to the need to improve the relevant commercial practices in relation to the sale, supply or promotion of telecommunications or broadcasting services to consumers, and the remaining 54 were under processing.

### 6.18 Enforcement of the Competition Ordinance

The CO provides for a cross-sectoral competition law prohibiting anti-competitive conduct in all sectors. Under the CO, the Authority is conferred concurrent jurisdiction with the Commission

to enforce the CO in respect of the conduct of undertakings operating in the telecommunications and broadcasting sectors, including merger and acquisition activities involving carrier licensees in the telecommunications sector.

Pursuant to the MoU signed by the Authority and the Commission, the Authority will ordinarily assume the role of the lead authority for matters falling within the concurrent jurisdiction. For matters involving issues that are partly within and partly outside the concurrent jurisdiction, the Authority and the Commission will discuss and agree on how best to process the matter on a case-by-case basis.

From 1 April 2020 to 31 March 2021, a total of 39 complaints and/or enquiries were received under the CO, with 38 cases closed without the need for further action and one case under processing.



## 6.19 Enforcement of the Unsolicited Electronic Messages Ordinance

The UEMO sets out the rules about sending CEMs, including the requirements to provide accurate sender information and honour unsubscribe requests. Under the UEMO, the Authority has established three Do-Not-Call (DNC) registers to allow members of the public to register their numbers to indicate their choice of not receiving commercial facsimile messages, short messages and/or pre-recorded telephone messages. As of March 2021, more than 2.6 million numbers had been registered under these DNC registers.

The Authority will continue to monitor compliance with the UEMO by CEM senders and streamline the procedures for more effective enforcement.

## Major Regulatory Actions

### 6.20 Sanctions against Broadcasting Licensees

In February 2021, the Authority decided that a financial penalty of \$50,000 be imposed on TTV Asia Limited (TTV), an other licensable TV licensee for the provision of television programme services in hotel rooms in Hong Kong, for its breach of the statutory residence requirement on its director/principal officer.

In March 2021, the Authority decided that the other licensable TV licence of TTV be revoked for its failure to pay the variable licence fee for the licence year 2020/21.

### 6.21 Sanctions against Telecommunications Licensees

There was no major sanction against telecommunications licensees during the reporting period.

### 6.22 Sanctions against Senders of Commercial Electronic Messages

From April 2020 to March 2021, the Authority received 565 reports on suspected contraventions of the UEMO, representing a decrease of about 6% as compared to the 598 reports received in the previous year. The majority of these 565 reports was related to short messages, pre-recorded telephone messages and email messages. In dealing with these reports, the Authority would, depending on the circumstances, issue advisory letters to first time offenders explaining the requirements of the UEMO or issue warning letters to other CEM senders in more serious cases. During the period under review, 80 advisory letters and 16 warning letters were issued. In the event of repeated contraventions by a particular sender, the Authority may issue enforcement notices pursuant to the UEMO directing the sender to take steps to remedy the contraventions. Any persons who fail to comply with an enforcement notice may be liable to a fine of up to \$100,000 on the first conviction. In 2020/21, no enforcement notice was issued.