



# Review of the Communications Authority's Major Tasks



#### **BROADCASTING**

#### 6.1 Amendments to Broadcasting Codes of Practice

With the support of OFCA, the Authority has completed the review of the CoPs, having taken into account views received from the public and the industry. In view of the increasingly challenging business environment faced by the licensees, the latest revisions provided timely relaxations to the regulatory regime of the broadcasting sector, including the regulation of programme sponsorship and indirect advertising for television and radio. The relaxations also help licensees improve their financial position by creating new revenue-generating channels, contributing to the sustainable development of the broadcasting sector.

Given the importance of safeguarding national security, the latest revision also introduced a requirement for broadcasting licensees to safeguard national security in broadcasting their programmes. The relevant provisions apply to all licensed broadcasting services.

The revised CoPs were published in the Gazette on 15 December 2023 and took effect on the same day. The Authority considered that the revised CoPs provided a more flexible and conducive operating environment for the broadcasting industry while protecting the interests of the community at large, thereby enabling the sustainable development of the industry and the provision of higher quality broadcasting services to the public.

#### 6.2 Paving the Way for Renewal of Major Licences

Six major broadcasting licences, including three free TV licences, one pay TV licence and two sound broadcasting licences, are due to expire in 2027 and 2028.

To pave way for the upcoming licence renewal exercise, with the support of OFCA, the Authority is conducting a broadcasting service survey to track changes in the viewing and listening habits of the general public in Hong Kong. The information and statistics obtained from the survey will serve as a useful reference for the Authority in handling applications from major broadcasting licensees for renewal of their licences. It is expected that the survey will be completed by the end of 2024.

#### 6.3 Non-Domestic and Other Licensable TV Licences

During the period under review, the Authority granted one other licensable TV licence to Rediffusion Technology Services Limited for the provision of television programme services in hotel rooms in Hong Kong. The Authority also approved the application for renewal of one non-domestic TV licence by Starbucks (HK) Limited.





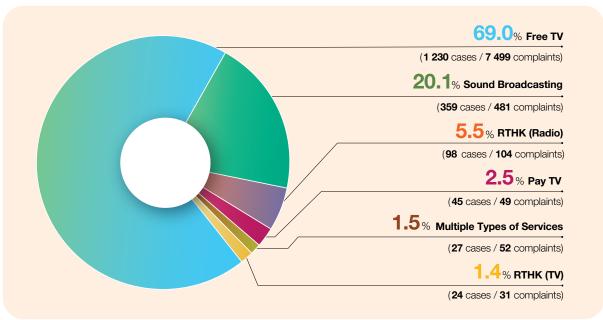
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#### 6.4 Processing Complaints Relating to Broadcasting Services

#### Overview of the Complaints Processed

During the period from April 2023 to March 2024, the Authority handled 1 783 cases (involving 8 216 complaints)<sup>19</sup> relating to the materials broadcast by broadcasters, which represented a decrease of 4.0% in the number of cases, and a significant increase of 106.2% in the number of complaints processed<sup>20</sup>, as compared with the figures during the same period in the previous year (1 857 cases, involving 3 984 complaints). Breakdown of all the complaint cases by broadcasting service and broadcaster processed during the period is shown in **Figure 14** and **Figure 15** respectively.

Figure 14: Distribution of All Complaint Cases by Broadcasting Service Processed in 2023/24



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

The significant increase in the number of complaints was mainly due to the fact that there was a case involving over 4 600 complaints.

Figure 15: Distribution of All Complaint Cases by Broadcaster Processed in 2023/24

Broadcasters Involved	No. of Complaint Cases	No. of Complaints Involved
TVB	1 024	7 166
HKTVE	120	177
i-CABLE HOY	77	85
Hong Kong Cable Television Limited	11	15
PCCW Media	34	34
CRHK	231	257
Metro	128	224
RTHK (TV)	24	31
RTHK (Radio)	98	104
Multiple Broadcasters	36	123
Total	1 783	8 216

Among all the complaint cases processed by the Authority, 1 777 cases (involving 8 202 complaints) were handled by DG Com under the Authority's delegated authority. These complaints relate to breaches of a minor nature, or allegations which did not constitute any breach or were outside the remit of section 11(1) of the B(MP)O (i.e. the substance of the complaints did not involve contravention of relevant legislation, licence conditions or provisions



in the CoPs). The Authority dealt with six cases (involving 14 complaints). Outcomes of all the complaints processed by the Authority during this period are listed in **Figure 16**.

Figure 16: Outcomes of All Complaint Cases Dealt with by the Authority and DG Com

	Within Section 11(1) of B(MP)O				Outside Section 11(1)	
	Substantiated		Unsubstantiated		of B(MP)O	
	The Authority	DG Com	The Authority	DG Com	DG Com	Total
No. of Cases	4	96	2	1 377	304	1 783
No. of Complaints	5	134	9	7 717	351	8 216





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#### Complaint Cases Dealt with by the Authority

Among the six complaint cases dealt with by the Authority, three concerned free TV services (involving four complaints, which accounted for 28.6% of the total number of complaints dealt with by the Authority). A breakdown of these complaint cases by broadcasting service is shown in **Figure 17**.

Figure 17: Breakdown of Complaint Cases Dealt with by the Authority by Broadcasting Service

Types of Broadcasting Service	No. of Complaint Cases	No. of Complaint Involved
Free TV	3	4
RTHK (TV)	2	9
RTHK (Radio)	1	1
Total	6	14



Regarding the nature of broadcast materials involved in the six complaint cases dealt with by the Authority, all of them were related to programmes. Four of them were substantiated, among which one was related to product/service sponsorship; one concerned the use of vulgar expression; one concerned fairness and right of reply and the remaining one was related to the broadcast of programme classified as "Parental Guidance Recommended" during the family

viewing hours. The Authority issued one warning, one strong advice and two pieces of advice to the broadcasters concerned. A breakdown of the decisions of the Authority on the complaints dealt with in 2023/24 is shown in **Figure 18**.

Figure 18: Decision of the Authority on Complaint Cases in 2023/24

Broadcasters Involved  Decision of the Authority	TVB	i-CABLE HOY	RTHK	Total
No Further Action	0	0	2	2
Advice	1	0	1	2
Strong Advice	0	11.	0	1 1 1 1 1 1
Warning	1	0	0	1
Serious Warning	0	0	0	0
Financial Penalty	0	0	0	0
Total	2	1	3	6

#### **TELECOMMUNICATIONS**

#### 6.5 Making Spectrum Available in Multiple Frequency Bands for 5G Services

As at March 2024, the Authority had assigned a total of 2 130 MHz of radio spectrum in various low, mid and high frequency bands, namely 700 MHz, 3.3 GHz, 3.5 GHz, 4.9 GHz, and 26/28 GHz for public mobile telecommunications use, including the provision of 5G services. Separately, 400 MHz of shared spectrum in the 26/28 GHz band was also available for assignment to other parties for use on a sharing basis for the provision of local wireless broadband services in support of innovative 5G applications. MNOs launched their commercial 5G services in Hong Kong starting from April 2020. As at March 2024, 5G coverage in Hong Kong exceeded 90% of the population, and even up to 99% in core business districts, covering all the populated districts, bustling shopping malls and mass transit railway stations.

#### Making Available Additional 5G Spectrum to Meet the Demand of Operators

Taking into account the outcomes of the World Radiocommunication Conference of the International Telecommunication Union held in end 2023 that the 6 425 – 7 125 MHz band has been identified for International Mobile Telecommunications (IMT) in Region 1 (Europe and Africa) and some countries in Region 2 (Americas) and Region 3 (Asia and Oceania) and the announcement of the Ministry of Industry and Information Technology of the Mainland that the whole or



part of the  $6\,425-7\,125\,MHz$  band has been identified for IMT, the Authority has arranged to relocate the relevant users of fixed links and outside broadcasting links operating in the  $6\,570-6\,770\,MHz$  and  $6\,910-7\,125\,MHz$  bands to other frequency bands with a view to making available 415 MHz of spectrum for public mobile services.

With the sustained enhancement of 5G services and the growing availability of 5G equipment and consumer products, 5G services are revolutionising mobile users' experience with excellent technical capabilities of high speed, high capacity, high reliability, massive connectivity and low latency communications. 5G technology is widely expected to continue to open up vast potential for various commercial and smart city applications.





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In addition, the Authority will closely monitor the development of new frequency bands for various radiocommunications services, including mobile services, arising from the deliberations of the international/regional standardisation bodies. Taking note of the market development, the Authority will continue to implement measures to support the development of 5G or more advanced mobile communications services, including liaison with the industry to understand their views and requirements, and the timely supply of suitable radio spectrum to the industry.

#### Re-assignment of Frequency Spectrum in the 2.5/2.6 GHz Band

Upon the expiry of the previous assignment in March 2024, 90 MHz of spectrum in the 2.5/2.6 GHz band was re-assigned to three MNOs following an auction held in October 2021, with the result that some of the frequency assignments in the 2.5/2.6 GHz band would be changing hands in the new 15-year term of assignments. OFCA convened a meeting of the technical working group comprising representatives of the three MNOs concerned in September 2022 to coordinate the relevant technical arrangements. Through the concerted efforts of the technical working group, 90 MHz of spectrum in the 2.5/2.6 GHz band was seamlessly handed over to the new assignees in March 2024.

# Preparing for Re-assignment of Frequency Spectrum in the 850/900 MHz and 2.3 GHz bands

The current assignments of 20 MHz of spectrum in the 850/900 MHz band and 90 MHz of spectrum in the 2.3 GHz band will expire in May 2026 and March 2027 respectively. It is planned that the relevant spectrum will be used for public mobile services. Following a joint public consultation conducted by the Authority and SCED in November 2022, their respective decisions on the arrangements for re-assignment of a total of 110 MHz of spectrum in the above frequency bands as well as the related spectrum utilization fee (SUF) upon the expiry of their existing assignment term were promulgated by way of a joint statement on 2 May 2023. The Authority will re-assign the spectrum in these bands in November 2024 by way of auction.

#### Preparing for Assignment of Frequency Spectrum in the 6/7 GHz Band

The spectrum in the 6/7 GHz band is the largest block of the mid-band spectrum that can be made available for mobile services and 400 MHz of spectrum in the band is newly identified for the provision of public mobile services. The spectrum in the 6/7 GHz band can support Sixth Generation (6G) development. Hong Kong is among the first in the world to make available the spectrum for auction, which will help promote market development and prepare in advance for 6G development. Following a joint public consultation conducted by the Authority and SCED in July 2023, their respective decisions on the arrangements for assignment of 400 MHz of new spectrum in the 6/7 GHz band (i.e. 6 570 – 6 770 MHz and 6 925 – 7 125 MHz) as well as the related SUF were promulgated by way of a joint statement on 1 March 2024. The Authority will conduct an auction in November 2024 and assign the spectrum in the band in the first quarter of 2025.

#### Second Round Administrative Assignment of Frequency Spectrum in the 26/28 GHz Band

To further promote 5G development and having regard to the latest market situation, the Authority launched the second round administrative assignment of the remaining 2 500 MHz of non-shared spectrum in the 26/28 GHz band for application by the industry in February 2024.

# 6.6 Ensuring Availability of Space in and Access to New Buildings for Installation of Mobile Communications Facilities

The 2022 Policy Address announced that the Government will further expand the 5G network by amending legislation to ensure availability of appropriate space in new buildings for installation of mobile communication facilities. To take forward the initiative, OFCA assisted the Commerce and Economic Development Bureau (CEDB) in formulating the legislative proposal to ensure availability of reserved space in and access to new buildings for installation of mobile communications facilities by MNOs. The Telecommunications (Amendment) Bill 2023 was introduced into the Legislative Council (LegCo) in December 2023 and passed by LegCo on 21 February 2024. Under the Telecommunications (Amendment) Ordinance 2024, MNOs may be authorised by the Authority for free access to reserved space in specified buildings (including new and redeveloped commercial, industrial, residential and hotel buildings) to install and maintain mobile communications facilities. In addition, new government buildings and public housing will also follow the arrangements for installing mobile communications facilities. The arrangement will help further expand the mobile network coverage and capacity in Hong Kong. The relevant amendment took effect on 1 October 2024, of which MNOs authorised by the Authority can install and maintain mobile communications facilities in the reserved space in specified buildings with building plans approved on or after 1 April 2025.

To implement the above legislative amendments, the Authority with OFCA's assistance will issue the "Code of Practice for the Provision of Mobile Access Facilities in Specified Buildings for the Provision of Public Mobile Radiocommunications Services" (Mobile CoP), which sets out the specific requirements for developers and MNOs regarding the installation of mobile communications facilities in specified buildings. The Mobile CoP was promulgated in September 2024.

OFCA will continue to support CEDB in taking forward the proposed legislative amendments and liaise with other relevant government departments in updating the respective administrative guidelines to ensure timely implementation of the new requirements.

#### 6.7 Facilitating the Rollout of 5G Networks

Owing to the characteristics of 5G, more radio base stations (RBSs) are required to be installed to provide reasonable 5G network coverage. To facilitate the expedient and effective rollout of 5G network, the Authority supported the Government in launching a pilot scheme in March 2019 to open up more than 1 500 suitable government premises for MNOs to install RBSs under a streamlined approval process and at a nominal rent of \$1 per year.





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OFCA has also been working closely with the industry to facilitate MNOs' installation of RBSs at sheltered bus stops and public payphone kiosks. To facilitate MNOs' access to these facilities, 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 "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. As at March 2024, 12 applications for installation of RBSs at sheltered bus stop were approved. Moreover, the Government will reserve available space and loading capacity at multi-functional smart lampposts in various districts for RBS installation to further expand the 5G network coverage. The four local MNOs have submitted applications to the Authority respectively for using the first batch of 5G RBSs installed at the smart lampposts, and the vetting of the applications was completed in April 2024. OFCA will continue to work with the industry and relevant government departments in identifying suitable public facilities for installation of RBSs and facilitating technical trials.



# 6.8 Coordinating with Relevant Organisations to Enhance 5G Network Capacity at Major Public Event Venues

The 2023 Policy Address announced that the Government will coordinate proactively with relevant organisations to enhance 5G network capacity at major public event venues. To implement the initiative, CEDB and OFCA have been proactively coordinating with MNOs, relevant venue managers and government departments to streamline the approval and installation procedures so as to facilitate prompt installation of 5G RBSs by MNOs at these venues, enhancing their 5G network capacity and ensuring smoother communications services for mobile users attending major public events at these venues.

Since April 2024, MNOs have already activated 5G RBSs and provided 5G services at Hong Kong Convention and Exhibition Centre, AsiaWorld-Expo and Victoria Park, whereas the installation of 5G RBSs at Central Harbourfront Event Space, Hong Kong Coliseum and Kai Tak Sports Park are in progress and 5G services would be in place gradually. OFCA will continue to coordinate with relevant organisations to set up mobile communications facilities at major event venues to ensure that the public and event participants can enjoy quality communications services and provide high-level telecommunications infrastructure for reinforcing Hong Kong's position as an international hub for mega events.

#### 6.9 Facilitating the Landing of New Submarine Cable Systems in Hong Kong

Since the liberalisation of external facilities-based telecommunications market on 1 January 2000, Hong Kong has been adopting an open licensing regime i.e. there is no limit on the number of external fixed licences that the Authority will issue. Moreover, Hong Kong does not impose any foreign ownership restriction on the licensees.

As at March 2024, Hong Kong has 12 submarine cable systems, namely, AAE-1, AAG, APCN-2, APG, ASE, EAC-C2C, FEA, FNAL/RNAL, H2HE, SMW3, SJC and TGN-IA.

With the support of OFCA's single-point-of-contact service, several new regional or transcontinental submarine cable systems are under construction and scheduled to be put into service between 2024 and 2029. OFCA has been facilitating the operators to seek statutory approvals of laying and landing of new submarine cable systems in Hong Kong from relevant government departments.

#### 6.10 Implementation of Real-name Registration Programme for SIM Cards

Pursuant to the Telecommunications (Registration of SIM Cards) Regulation (Cap. 106Al) (Registration Regulation), the Real-name Registration Programme for SIM Cards (RNR Programme) has been fully implemented since 24 February 2023, requiring that all SIM cards issued and used locally (including SIM service plans and pre-paid SIM cards) must have completed real-name registration before service activation. The Authority has issued the "Guidelines on Implementation of Real-name Registration for SIM Cards" (RNR Guidelines) to provide guidance and detailed requirements of the RNR Programme to telecommunications service providers.

Since the full implementation of the RNR Programme, OFCA has been carrying out a series of ongoing monitoring and enforcement actions to ensure that telecommunications service providers and other relevant parties comply with the requirements of the Registration Regulation and the RNR Guidelines. OFCA has been working continuously with telecommunications service providers, and reminding them to enhance their registration platforms and strengthen inspection of their registration records. Among others, they have adopted "iAM Smart" as the default registration method for Hong Kong identity card holders in completing real-name registration of pre-paid SIM cards starting from 1 October 2024.

To ensure the proper implementation of the RNR Programme, the Authority will, with the support from OFCA, continue to work with telecommunications service providers to conduct sample checks on the registration information to safeguard the integrity of the registration records. OFCA will also continue to carry out enforcement and monitoring actions, including verification of telecommunications service providers' registration platforms, ad hoc market surveillances and inspections of registration records, and continue the publicity efforts to enhance public awareness of the requirements of the RNR Programme.





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OFCA is reviewing the effectiveness of the RNR Programme and will consider enhancement initiatives taking into account operational experience and latest deception trends. The Government aims to introduce a legislative amendment proposal into LegCo in 2025 to further enhance the RNR Programme by prohibiting the re-sale of SIM cards with real-name registration completed.

#### 6.11 Combating Fraudulent Calls and Messages

The Authority, with the support of OFCA, has been working closely with the telecommunications industry and the Hong Kong Police Force (Police) to devise and implement technical measures against fraudulent calls and messages delivered through telecommunications networks. In September 2022, OFCA, the Police and the telecommunications industry jointly established a Working Group on Tackling Fraudulent Calls and Messages by the Telecommunications Industry (Working Group) to take forward concerted efforts in combating fraudulent calls and messages from the telecommunications perspective.

The Working Group has introduced a number of measures since the fourth quarter of 2022, including (a) sending voice or text alert for calls with caller number prefixed with "+852" to alert mobile service users that the calls are from outside Hong Kong, (b) blocking transmission or delivery of calls bearing suspicious or spoofed caller identity, and (c) blocking access to suspicious websites and suspending telecommunications services of local phone numbers involved in scam cases based on information provided by the Police. As at March 2024, over 24 million voice or text alerts were sent by mobile service providers; over 3.1 million suspicious calls starting with "+852" were blocked by telecommunications operators; and access to over 9 000 websites were blocked and service of more than 2 900 local phone numbers were suspended by the telecommunications operators according to the information from the Police.

Besides, the Authority formulated a Code of Practice on Management of Scam Calls and Scam SMS by Telecommunications Service Providers, requiring mobile service providers and fixed service providers to monitor calls and SMS originating from their networks. Should call and SMS patterns of suspected phone deception be identified, the services of the relevant telephone numbers would be suspended accordingly. As at March 2024, about 590 000 local telephone numbers were suspended in accordance with the code of practice. OFCA will continue to work with the telecommunications industry and the Police to monitor and enhance the effectiveness of the measures.

#### 6.12 Implementation of the SMS Sender Registration Scheme

To help the public verify the authenticity of SMS senders, OFCA worked with the telecommunications industry, the banking industry and the Police to establish the SMS Sender Registration Scheme (Scheme). Under the Scheme, registered senders should use Registered SMS Sender IDs with the prefix "#" to send SMS messages to local subscribers of mobile services. All other SMS messages with sender IDs containing "#" but not sent by registered senders would be blocked by the



telecommunications networks. Members of the public can easily identify whether an SMS message is from a registered sender by looking for the prefix "#" in the SMS Sender ID, thereby reducing the risk of SMS fraud. The Scheme was first implemented in the telecommunications sector on 28 December 2023, followed by banks and individual government departments in January 2024, and was further open for participation by all sectors on 21 February 2024. Major telecommunications service providers, banks, government departments, statutory bodies, companies and organisations from various sectors (e.g. public utilities, retail, education, insurance and credit finance, etc.) have joined the Scheme progressively. As at March 2024, more than 140 companies and organisations have participated in the Scheme. OFCA would continue to publicise the Scheme and invite more industries and organisations to join the Scheme.

# 6.13 Implementation of the Protection of Underground Telecommunications Infrastructure

Under section 18A of the TO, it is a criminal offence for any person who failed to take reasonable steps to protect or prevent damage to an underground telecommunications line when carrying out any work below ground level near the line. In this regard, the Authority issued the "Guidelines on Work near Underground Telecommunications Lines" (UTL Guidelines) to provide relevant stakeholders with practical guidance for compliance with the requirements. According to the UTL Guidelines, the working party shall appoint a competent person to carry out the detection work for the underground telecommunications lines. As at March 2024, more than 700 persons attended the relevant training courses provided by the two training institutions, namely the Hong Kong Institute of Construction and the Hong Kong Institute of Vocational Education, on the detection work and over 340 of them were registered as competent persons. The list of competent persons is published on OFCA's website. As at March 2024, five successful prosecution cases in total were brought to with fines ordered by the Magistrates. It is anticipated that the enforcement work will continue to raise the industry awareness of the protection of underground telecommunications infrastructure.





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#### 6.14 Implementation of the Labelling Scheme for Buildings with Optical Fibre Access

To promote the awareness of the public including building owners and building management offices (BMOs) on the merits of having optical fibre networks in their buildings, the Authority, supported by OFCA, has implemented the Labelling Scheme for Buildings with Optical Fibre Access since November 2022. Under the scheme, OFCA compiles and maintains a register of buildings connected with optical fibre networks based on the information provided by FNOs as well as building owners, BMOs and property developers. The register, in the form of a geographical information system, is open to public inspection on OFCA's website. The relevant building owners or BMOs are encouraged to display the designated label in their buildings indicating the availability of optical fibre networks there.

To promote the scheme, OFCA rolled out a series of publicity programmes, including launching a set of TV and radio APIs as well as setting up a thematic webpage for the scheme. As at March 2024, more than 70 500 buildings were registered under the scheme, covering 92% of living quarters in Hong Kong.



#### 6.15 Enhancement of Licensing Regime for Four Types of Licences

In alignment with the Government's policy to improve regulatory measures with a view to enhancing the Hong Kong's competitiveness, OFCA supported the Authority to enhance the licensing regime of four types of licences, namely Ship Station Licence, Broadcast Radio Relay Station Licence, Hotel Television (Transmission) Licence and Satellite Master Antenna Television Licence, by extending the validity period of the licences from one year to two years to enhance regulatory certainty. The enhancements took effect in March 2024. OFCA will continue to assist the Authority in overseeing the operation of the enhanced licensing regime.

# 6.16 Review of the Charging Scheme for Spectrum Utilization Fee for Spectrum Assigned Administratively

Since its implementation on 1 January 2018, the charging scheme for the SUF for spectrum assigned administratively (SUF Charging Scheme) has encouraged spectrum users to use the spectrum assigned to them in an efficient manner and return excessive spectrum to the Authority. Over 200 links in the designated six frequency bands subject to SUF have been returned to the Authority since the introduction of the SUF Charging Scheme. As the SUF Charging Scheme is subject to review every five years, a review was conducted in 2023 and an industry consultation had been conducted. Having considered the findings of the review and the views of the stakeholders, the Authority and SCED promulgated their decisions in December 2023. The decision of the Authority is to maintain the adoption of the existing criteria to identify the frequency bands that are subject to SUF and that the prevailing six designated frequency bands should continue to be subject to SUF. Meanwhile, SCED decided to maintain the prevailing SUF levels.







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#### 6.17 Implementation of the Universal Service Obligation

PCCW-HKT Telephone Limited and Hong Kong Telecommunications (HKT) Limited has a universal service obligation (USO) under its licence conditions to serve as the universal service provider (USP) of basic telecommunications service in Hong Kong. The USO specifies that basic telecommunications service should be made reasonably available to all persons in Hong Kong, at service charges capped by the published tariffs. The USO mainly covers basic fixed voice telephony services and public payphones.

The USP is entitled to receive universal service contribution (USC) from the relevant contributing parties<sup>21</sup> to recover the net cost for meeting its USO. The sharing basis of USC is based on the number of all subscriber numbers allocated to the USC contributing parties. The Authority had completed the review of USC for 2022 and the total amount of it was confirmed at \$13.9 million. After deducting the special revenue of \$1.1 million<sup>22</sup>, the USC contributing parties were required to pay the remaining USC for 2022 in the amount of \$12.8 million (or 2.7 cents per telephone number allocated per month). The Authority has advised the USP the amount of USC for 2022 that each individual USC contributing party should pay and the USP will collect the USC for 2022 directly from the USC contributing parties in 2024.

#### 6.18 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 will take note of their handling of the consumer complaints received and take necessary actions if any systemic issue is identified.

<sup>&</sup>lt;sup>21</sup> USC contributing parties include unified carrier licensees authorised to provide local fixed or mobile services and SBO licensees authorised to provide Class 1 service, Class 2 service, or Class 3 service (MVNO services only).

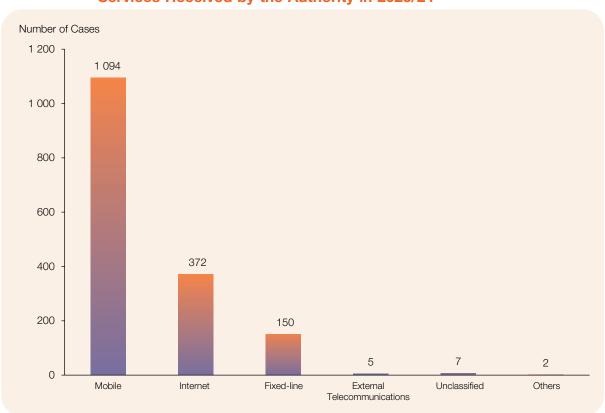
A special revenue pool has been set up whereby all unclaimed USC rebate and revenue/income/fee generated (or deemed to be generated) from using the payphone kiosks of the USP for non-public payphone purpose would be used for funding USC related activities. There was no unclaimed USC rebate in the review for 2022.

During the year under review, the Authority received a total of 1 630 consumer complaints relating to telecommunications services, representing an increase of 23.2% compared to 1 323 complaints in the previous year. Among them, 1 094 cases (67.1%) were related to mobile services, 372 cases (22.8%) were related to Internet services, 150 cases (9.2%) were related to fixed-line services and five cases (0.3%) were related to external telecommunications. On the nature of complaints, the Authority received the largest number of complaints relating to customer service quality (425 cases or 26.1%), while complaints about disputes on bills (355 cases or 21.8%) and service quality (240 cases or 14.7%) ranked second and third respectively.

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Breakdown of complaint cases by types of telecommunications services and nature of complaints received by the Authority during the period are shown in **Figure 19** and **Figure 20** respectively.

Figure 19: Distribution of Complaint Cases by Types of Telecommunications Services Received by the Authority in 2023/24



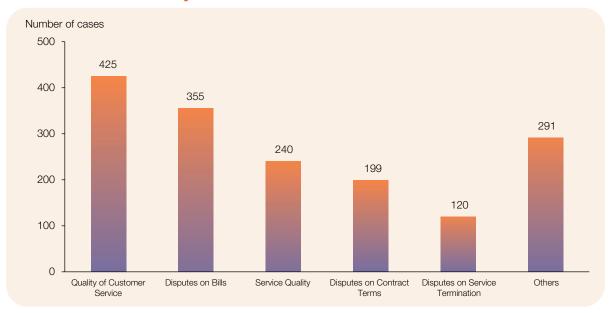
Note: Types of complaint cases grouped under "others" include cases involving non-telecommunications services bundled with Internet services.





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Figure 20: Distribution of Complaint Cases by Nature of Complaints Received by the Authority in 2023/24



Note: Types of complaint cases grouped under "others" include cases involving collection of overdue payment, porting of telecommunications numbers, refund matters, application/reactivation/suspension of telecommunications services, etc.

All the 1 630 complaint cases received were outside the Authority's jurisdiction. No case was found to be in breach of TO or licence conditions after investigation.

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

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

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

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.

#### **Broadband Performance Test System**

Since December 2010, OFCA has been providing a broadband performance test system which enables 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.

OFCA reviews and upgrades the test system from time to time to enhance its capability and performance. Currently, it supports speed tests of up to 10 Gbps for desktop and notebook computers and up to 5 Gbps for iOS-based and Android-based mobile devices. From service launch to March 2024, more than 124 million broadband performance tests were conducted with the use of the system.

#### **Consumer Education Programmes**

In view of the rising trend of telephone scam, the Authority organised an array of consumer education programmes and activities during the year to enhance publicity and increase public awareness against telephone scams. Under the theme "Use Communications Services Smartly. Stay Vigilant against Telephone Scams.", different publicity activities including roving exhibitions, public seminars, mini exhibitions, and a promotion truck tour campaign, community and school talks, as well as roving drama performances for schools, were held to remind the public to stay vigilant of possible telephone scam. Members of the public were also encouraged to download call-filtering apps for screening suspected scam calls through these activities.

In addition, two new sets of TV and radio APIs were produced and launched during the year, namely the SMS Sender Registration Scheme and the Stay Alert and Beware of Phone Scams Tricks.





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#### 6.20 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 regarding 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 regarding the operation of the fair trading sections.

From 1 April 2023 to 31 March 2024, the Authority handled a total of 305 complaint cases under the TDO, 259 of them were closed due to insufficient evidence to establish the occurrence of a contravention or because they fell outside the scope of the TDO. Seven cases (including one successful prosecution case against a salesperson who was convicted by the court on 24 October 2023) were closed after the Authority issued advisory letters to the licensees concerned to bring the subject matter to their attention with advice for improving their relevant commercial practices in relation to the sale, supply or promotion of telecommunications or broadcasting services to consumers. The remaining 39 cases were under processing.

#### 6.21 Enforcement of the Competition Ordinance

The CO provides 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 the best arrangement in handling the matter on a case-by-case basis.

From 1 April 2023 to 31 March 2024, a total of 22 complaints and enquiries were received under the CO, out of which 18 cases were closed without the need for further action and four cases are being processed. During the year, two transactions were reviewed under the merger rule of the CO, and no further action was considered necessary after the review.

#### 6.22 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 Registers (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 at March 2024, more than 2.8 million telephone numbers were 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

#### 6.23 Sanctions against Broadcasting Licensees

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

#### 6.24 Sanctions against Telecommunications Licensees

#### Billing Errors of Hong Kong Broadband Network Limited

On 9 November 2023, the Authority published its decision and imposed a financial penalty of HK\$80,000 on Hong Kong Broadband Network Limited for breaching Special Condition (SC) 9.1 of its UCL and SC 5.1 of its SBO licence during the period between January and April 2023. The said licence conditions require that the licensee shall take all reasonable steps to ensure that the billing system used in connection with their services is accurate and reliable.

#### 6.25 Sanctions against Senders of Commercial Electronic Messages

From April 2023 to March 2024, the Authority received 688 reports on suspected contraventions of the UEMO, representing an increase of about 27% as compared to the 540 reports received in the previous year. The majority of these 688 reports was related to pre-recorded telephone messages and short messages. In dealing with these reports, the Authority would, depending on the circumstances, issue advisory letters to senders of CEMs requesting them to observe the requirements of the UEMO or issue warning letters to those involved in more serious cases. During the period under review, 48 advisory letters and six 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 person who fails to comply with an enforcement notice may be liable to a fine of up to \$100,000 on the first conviction. In 2023/24, no enforcement notice was issued.