

# Applications open for bidding of radio spectrum in 900 MHz and 1800 MHz bands

The Office of the Communications Authority (OFCA) today (September 21) published an Information Memorandum (IM) for the auction of spectrum in the 900 MHz band and the 1800 MHz band for the provision of public telecommunications services in Hong Kong. Parties interested in bidding for the spectrum may apply to take part in the auction scheduled for December 2018.

The Communications Authority (CA) announced on December 19, 2017 its decision to adopt a hybrid administratively-assigned cum market-based approach to re-assign/assign 200 MHz of spectrum in the 900 MHz band and 1800 MHz band upon the expiry of the existing assignments. Under the hybrid approach, each of the four incumbent spectrum assignees (namely China Mobile Hong Kong Company Limited, Hong Kong Telecommunications (HKT) Limited, Hutchison Telephone Company Limited and SmarTone Mobile Communications Limited) would be offered a right of first refusal (RFR) for the re-assignment of 20 MHz of spectrum in the 1800 MHz band. The remaining 70 MHz of spectrum in the 1800 MHz band, together with 50 MHz of spectrum in the 900 MHz band and any spectrum not taken up by the incumbent spectrum assignees under the RFR would be assigned through auction.

"As all four incumbent spectrum assignees accepted the RFR offer in early September 2018, a total of 120 MHz of spectrum, comprising 50 MHz of spectrum in the 900 MHz band and 70 MHz of spectrum in the 1800 MHz band, will be available for bidding in the coming auction," a spokesman for OFCA said.

"For the purpose of the auction, the 50 MHz of spectrum in the 900 MHz band will be divided into five frequency bands, each with a bandwidth of 10 MHz. The 70 MHz of spectrum in the 1800 MHz band will be divided into four frequency bands, three of which with a bandwidth of 20 MHz and one with a bandwidth of 10 MHz. To avoid an unduly high concentration of spectrum holding in the hands of a single assignee, a spectrum cap of 90 MHz will be imposed on the aggregate amount of spectrum in the 900 MHz and 1800 MHz bands which may be acquired by any assignee, with a sub-cap of 20 MHz for spectrum in the 900 MHz band which may be acquired by any successful bidder.

"The Government has set the auction reserve price at HK\$38 million per MHz. The actual amount of spectrum utilization fee payable will be determined in the auction," the spokesman added.

Detailed arrangements of the auction are set out in the IM, which can be downloaded from OFCA's website ([ofca.gov.hk/filemanager/ofca/en/content\\_1107/900\\_MHz\\_and\\_1800\\_MHz\\_Auction\\_IM.pdf](http://ofca.gov.hk/filemanager/ofca/en/content_1107/900_MHz_and_1800_MHz_Auction_IM.pdf)). Parties interested in participating in the auction should submit their applications to the OFCA from November 15 to 16, 2018.

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## Twenty-two immigration offenders arrested (with photo)

The Immigration Department (ImmD) mounted a territory-wide anti-illegal worker operation codenamed "Twilight" from September 18 to 20. A total of 13 illegal workers, seven suspected employers and two overstayers were arrested.

During operation "Twilight", ImmD Task Force officers raided 27 target locations including residential buildings, industrial flats, restaurants, shops, residential flats and a village house under renovation. A total of 13 illegal workers, seven employers and two overstayers were arrested. The illegal workers comprised five men and eight women, aged 26 to 58. Among them, a man and two women were holders of recognisance forms, which prohibit them from taking any employment. Furthermore, six women were suspected of using and being in possession of forged Hong Kong identity cards. Meanwhile, six men and a woman, aged 26 to 67, were suspected of employing the illegal workers. Furthermore, two male overstayers, aged 43 and 47, were arrested.

"Any person who contravenes a condition of stay in force in respect of him shall be guilty of an offence. Also, visitors are not allowed to take employment in Hong Kong, whether paid or unpaid, without the permission of the Director of Immigration. Offenders are liable to prosecution and upon conviction face a maximum fine of \$50,000 and up to two years' imprisonment. Aiders and abettors are also liable to prosecution and penalties," an ImmD spokesman said.

The spokesman warned that, as stipulated in section 38AA of the Immigration Ordinance, illegal immigrants or people who are the subject of a removal order or a deportation order are prohibited from taking any employment, whether paid or unpaid, or establishing or joining in any business. Offenders are liable upon conviction to a maximum fine of \$50,000 and up to three years' imprisonment. The Court of Appeal has issued a guideline ruling that a sentence of 15 months' imprisonment should be applied in such cases. It is an offence to use or possess a forged Hong Kong identity card or a Hong Kong identity card related to another person. Offenders are liable to prosecution and a maximum penalty of a \$100,000 fine and up to 10 years' imprisonment.

The spokesman reiterated that it is a serious offence to employ people who are not lawfully employable. The maximum penalty is imprisonment for three years and a fine of \$350,000. The High Court has laid down sentencing guidelines that the employer of an illegal worker should be given an immediate custodial sentence. According to court sentencing, employers must take all practicable steps to determine whether a person is lawfully employable prior to employment. Apart from inspecting a prospective employee's identity card, the employer has the explicit duty to make

enquiries regarding the person and ensure that the answers would not cast any reasonable doubt concerning the lawful employability of the person. The court will not accept failure to do so as a defence in proceedings. It is also an offence if an employer fails to inspect the job seeker's valid travel document if the job seeker does not have a Hong Kong permanent identity card. The maximum penalty for failing to inspect such a document is imprisonment for one year and a fine of \$150,000.

Under the existing mechanism, the ImmD, as a standard procedure, will conduct initial screening of vulnerable persons, including illegal workers, illegal immigrants, sex workers and foreign domestic helpers, who are arrested during any operation with a view to ascertaining whether they are trafficking in persons (TIP) victims. When any TIP indicator is revealed in the initial screening, the officers will conduct a full debriefing and identification by using a standardised checklist to ascertain the presence of TIP elements, such as threat and coercion in the recruitment phase and the nature of exploitation. Identified TIP victims will be provided with various forms of support and assistance, including urgent interference, medical services, counselling, shelter, temporary accommodation and other supporting services. The ImmD calls on TIP victims to report crimes to the relevant departments.



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## [Prequalification application period for “Trunk Road T2 and infrastructure works for developments at former south apron” extended](#)

The Civil Engineering and Development Department (CEDD) today (September 21) extended the application period for prequalification for the design and build contract for "Trunk Road T2 and Infrastructure Works for Developments at the Former South Apron" to noon on October 12.

The CEDD invited interested tenderers to apply for the prequalification for the contract on August 17 and the original application period was set to due at noon on September 28.

The extension of the application period was gazetted today. Details of the prequalification are available at the CEDD's website ([www.cedd.gov.hk/eng/tender/contract/tender/index.html#ED/2018/04](http://www.cedd.gov.hk/eng/tender/contract/tender/index.html#ED/2018/04)). For enquiries, please call Hyder-Meinhardt Joint Venture at 2911 2048 during office hours.

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## Statistics of Payment Cards Issued in Hong Kong for Second Quarter 2018

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) published today statistics of payment cards issued in Hong Kong for the second quarter of 2018.

The payment card statistics (see Annex) include quarterly data on credit and debit cards issued in Hong Kong under the credit and/or debit card schemes of the eight payment card scheme operators (Note 1). The HKMA began to publish the payment card statistics on a quarterly basis in June 2010 to enhance transparency of the payment card industry in Hong Kong, in line with international practice.

According to the quarterly statistics, the total number of credit cards in circulation (Note 2) was 20.06 million by the end of Q2/2018. The figure represents a 0.9% increase from the previous quarter and a 4.0% increase from the previous year. The number and value of credit card transactions (including retail sales and cash advances) (Note 3) are susceptible to seasonal factors and the general economic environment, making the trends more prone to fluctuation. The total number of credit card transactions was 181.11 million for Q2/2018, representing a 8.4% increase from the previous quarter and a 17.1% increase from the same period in 2017. The total value of credit card transactions was HK\$178.9 billion for Q2/2018, representing a 2.0% decrease from the previous quarter and a 15.4% increase from the same period in 2017. Of the total transaction value, HK\$137.3 billion (76.8%) was related to retail spending in Hong Kong, HK\$29.9 billion (16.7%) in retail spending overseas and HK\$11.7 billion (6.5%) in cash advances.

The total number of debit cards in circulation is not available due to overlapping of debit card brands in a single card. Like the number and value of credit card transactions, the number and value of debit card transactions in relation to retail sales and bills payments (Note 4) are also affected by seasonal factors. On a quarterly basis, the total number of debit card

transactions in relation to retail sales and bills payments decreased 1.1% to 34.27 million while the total value decreased by 9.4% to HK\$79.6 billion in Q2/2018. When compared to the same period in 2017, the total number increased by 0.5% and the total value rose by 11.3% in Q2/2018.

Notes:

1. The payment card statistics are compiled from data on credit and debit cards issued in Hong Kong by both authorized institutions (AIs) and non-authorized institutions (non-AIs) under the credit and/or debit card schemes of the eight payment card scheme operators ("the card operators"). The card operators, in alphabetical order, are American Express International, Inc., Discover Financial Services (Hong Kong) Limited, EPS Company (Hong Kong) Limited (EPSCO), JCB International (Asia) Ltd, Joint Electronic Teller Services Ltd. (JETCO), MasterCard Asia/Pacific Pte. Ltd., UnionPay International Co. Ltd and Visa Worldwide Pte. Limited.
2. A credit card issued in Hong Kong only carries one credit card brand. The total number of credit cards in circulation refers to the total number of credit cards (i.e. cards with a credit function) issued in Hong Kong under the credit card schemes of card operators (but excluding EPSCO and JETCO, which do not operate a credit card scheme). Some of these credit cards carry debit card functions, i.e. the credit card can be used for making purchases/payments or cash withdrawal at ATMs through directly debiting cardholders' bank accounts.
3. The total number/value of credit card transactions refer to the total number/value of transactions made via credit card accounts of credit cards issued in Hong Kong under the credit card schemes of card operators (excluding EPSCO and JETCO). Starting from March 2015, a Hong Kong/overseas spending breakdown of credit card retail sales transactions is provided.
4. The total number/value of debit card transactions in relation to retail sales/bill payments refers to the total number/value of those transactions made via debiting cardholders' bank accounts. Some of the eight card operators do not operate a debit card scheme. Care should be exercised in combining the credit card retail sales figures and the debit card retail sales/bills payment figures because of the possibility of double counting.

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## **Statistics of Stored Value Facilities**

# (SVF) Schemes Issued by SVF Licensees

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) published today (September 21) statistics on SVF schemes issued by SVF licensees for the second quarter of 2018.

The SVF scheme statistics (see Annex) include quarterly data on SVF schemes issued by the sixteen SVF licensees (Note 1). The HKMA began to publish the SVF scheme statistics on a quarterly basis in March 2017 to enhance transparency of the SVF industry in Hong Kong.

According to the quarterly statistics, the total number of SVF accounts in use (Note 2) was 51.81 million by the end of Q2/2018, representing a 5.7% increase from the previous quarter. The total number of SVF transactions (Note 3) was around 1.5 billion for Q2/2018, or 5.6% higher than the previous quarter. The total value of SVF transactions was HK\$41.0 billion for Q2/2018, up 5.2% from the previous quarter. Of the total transaction value, HK\$21.3 billion was related to point-of-sale spending payment, HK\$15.4 billion in online spending payment and HK\$4.3 billion in P2P funds transfer. The total float and SVF deposit (Note 4) was HK\$8.9 billion for Q2/2018, 6.1% higher than the previous quarter.

As compared with the end of Q2/2017, the total number of SVF accounts in use at the end of Q2/2018 was up by 19.2%, and the total float and SVF deposit was up by 24.0%. The total number and value of SVF transactions during Q2/2018 were up by 10.2% and 29.0% respectively year-on-year.

Notes:

1. The SVF scheme statistics are compiled from data on SVF schemes issued by the sixteen SVF licensees. The SVF licensees, in alphabetical order, are 33 Financial Services Limited, Alipay Financial Services (HK) Limited, Autotoll Limited, Bank of Communications (Hong Kong) Limited, Dah Sing Bank, Limited, ePaylinks Technology Co., Limited, HKT Payment Limited, Hongkong and Shanghai Banking Corporation Limited (The), K & R International Limited, Octopus Cards Limited, Optal Asia Limited, PayPal Hong Kong Limited, TNG (Asia) Limited, Transforex (Hong Kong) Investment Consulting Co., Limited, UniCard Solution Limited and WeChat Pay Hong Kong Limited.
2. "Total number of SVF accounts in use" refers to the total number of SVF accounts that can be used as at the end of the reporting period.
3. SVF transactions include point-of-sale spending payment, online spending payment and P2P funds transfer.
4. The following terms follow their definitions in the Payment Systems and Stored Value Facilities Ordinance:

- "Float" means the stored value remaining on the facility but does not include any SVF deposit;
- "SVF deposit" means a deposit placed with the licensee, or another person on behalf of the licensee, for enabling the facility to be used.