

Communications Authority press release

The following is issued on behalf of the Communication Authority:

This press release summarises the decisions of the Communications Authority (CA) following its 85th meeting held in April 2019:

Review of the class licence for offer of telecommunications services

The class licence for offer of telecommunications services (CLOTS) authorises any person meeting the criteria or conditions set out in CLOTS to offer any telecommunications service to the general public without establishment, operation or maintenance of any means of telecommunications. In view of the emergence of new technologies and the adoption of new business models and commercial practices by market players, the CA commenced a public consultation on January 4, 2019, to solicit views and comments from the public on its proposals to strengthen the licensing regime in CLOTS for better consumer protection.

Taking into account all views and comments received in the public consultation, the CA decided to vary the conditions in the CLOTS with a view to enhancing regulatory oversight.

A key feature of the revised CLOTS is the introduction of a registration requirement for those CLOTS licensees with a customer base of 10 000 subscriptions or more. This requirement enables the CA to have better communications with these licensees for more effective regulatory oversight, compliance monitoring and handling of customer complaints.

The revised CLOTS is published in the Gazette today (April 26). To allow existing CLOTS licensees sufficient time to make necessary adjustments to their business systems and procedures for compliance with the revised CLOTS, the revised CLOTS will take effect on October 26, 2019, while the registration requirement will be subject to a further three-month grace period after the effective date. The CA will issue guidelines on the relevant administrative procedures for registration and other implementation details to provide practical guidance to the CLOTS licensees.

For further details, please refer to the revised CLOTS (www.coms-auth.hk/filemanager/common/licensing/Offer_of_Tele_Services_effect_from_20191026_en.pdf) and the CA Statement published on the CA's website (www.coms-auth.hk/filemanager/statement/en/upload/502/ca_statement_20190426.pdf).

Non-compliance with reporting and submission requirements by Luxury Hotels International of Hong Kong Limited

The CA decided that Luxury Hotels International of Hong Kong Limited (LHIHK), an "other licensable television programme service" (other licensable TV) licensee, had breached sections 21(2) and 39(3) of the Broadcasting Ordinance (Cap 562) and Condition 5 of its other licensable TV licence for failing to submit to the CA by April 1, 2018, an annual statutory declaration for 2018, to report to the CA the changes of its directors within seven days of the changes, and to promptly notify the CA of the change of the address of its registered office. The submission of the statutory declaration was late by about 10 months and the reports on the changes of directors were late by 178 days and 52 days, while the change of address of registered office was reported about three years and two months after the change. Taking into account LHIHK's representations, as well as the duration and severity of the breaches, the CA decided that LHIHK should be strongly advised to observe more closely the relevant provisions.