

Communications Authority press release

The following is issued on behalf of the Communications Authority:

This press release summarises the decisions of the Communications Authority (CA) following its 115th meeting held in February 2022.

Formal approval for Fantastic Television Limited (Fantastic TV)'s application for using radio spectrum as an additional transmission means

Pursuant to Conditions 10.2 and 30 of the domestic free television programme (free TV) service licence of Fantastic TV, the CA granted a formal approval for Fantastic TV's application for using spectrum, on top of a fixed network (Note 1), as an additional means of transmission for the delivery of its free TV service. This approval follows Fantastic TV satisfying all the requirements set out in the CA's approval-in-principle given to Fantastic TV in April 2021.

The CA notes that assigning spectrum to Fantastic TV for transmission of its free TV service would enable Fantastic TV to increase its service coverage and launch a new TV programme channel in addition to its existing two integrated channels, hence providing additional programme choices to more households.

The formal approval was granted on the conditions that:

(a) Fantastic TV would be subject to largely the same set of programme requirements including the positive programme and subtitling requirements (see Appendix A: www.coms-auth.hk/filemanager/en/content_713/appxA_20220224.pdf) that currently apply to the spectrum-based free TV licensees (Note 2) when the proposed transmission arrangement comes into effect;

(b) Fantastic TV would comply with an updated investment plan of \$1,310 million for 2016 to 2022 (Note 3) when the proposed transmission arrangement comes into effect;

(c) Fantastic TV would launch an additional TV programme channel (see Appendix A: www.coms-auth.hk/filemanager/en/content_713/appxA_20220224.pdf) via spectrum as well as a fixed network to viewers within nine months from the grant of formal approval (i.e. by November 24, 2022); and

(d) Fantastic TV's digital terrestrial television (DTT) service would reach 75 per cent of the Hong Kong population within three months, and 99 per cent within 15 months, from the grant of formal approval (i.e. by May 24, 2022, and May 24, 2023, respectively).

Fantastic TV will use DTT frequency channel 22 (i.e. 478-486 MHz) to

broadcast its TV programme channels. At the initial stage, only areas listed in Appendix B (www.coms-auth.hk/filemanager/en/content_713/appxB_20220224.pdf) will be covered by Fantastic TV's DTT transmission network by May 24, 2022.

To receive Fantastic TV's DTT service, property owners or managers may need to upgrade their common antenna broadcast distribution systems and advise their residents to rescan for TV programme channels on digital TV receivers. Viewers using self-provided antennae only need to perform the necessary channel rescanning in order to receive the service. For households currently receiving Fantastic TV's free TV service via a fixed network, they can continue to receive the service by such means.

To effect the spectrum assignment concerned, the CA has issued a unified carrier licence (UCL) to Fantastic TV following its payment of the relevant licence fees and submission of a performance bond of \$6 million in respect of channel launch, spectrum-based service coverage and investment commitments. While the UCL lasts for 15 years and will expire on January 26, 2037, the spectrum assignment is effective until the end of the term of Fantastic TV's free TV licence on May 30, 2028.

Financial penalty imposed on IDD1628 Limited (IDD1628) for failure to provide satisfactory customer service

Between December 2020 and June 2021, the Office of the Communications Authority (OFCA) received 11 consumer complaints alleging that IDD1628 could not be reached through its customer service channels and it failed to handle customers' requests for termination of its International Direct Dialling services. OFCA conducted an investigation into the complaints. Having considered OFCA's assessment and IDD1628's lack of response to the CA's invitation for representations, the CA concluded that IDD1628 had breached General Condition 5.1 of its Services-based Operator Licence (Licence No. 1321), which required it to provide a good and efficient service in a manner satisfactory to the CA, and decided that a financial penalty of \$70,000 should be imposed on it. If IDD1628 fails to improve its customer services or remains unresponsive to the regulatory action of the CA, the CA will consider imposing more serious sanction(s) under the Telecommunications Ordinance as appropriate to protect consumer interest. For details, please refer to the CA's Decision published on the CA's website: www.coms-auth.hk/filemanager/statement/en/upload/582/FinalDecision_on_IDD1628.pdf.

Broadcast complaints

The CA considered two complaint cases in respect of broadcasters' non-compliance with the Generic Code of Practice on Television Programme Standards (TV Programme Code) and the Radio Code of Practice on Programme Standards (Radio Programme Code):

(a) Complaints about 10 episodes of the television programme "Couples' Gambit" broadcast on the ViuTV Channel of HK Television Entertainment Company Limited (HKTVE) respectively on October 11 to 15 and 18 to 22, 2021. The CA took the view that the complaints were justified in respect of (i) the scheduling and responsible handling of the programme for the broadcast of episodes one to five of the programme on October 11 to 15, 2021, and (ii) decency and the treatment/depiction of sex for the broadcast of episode one of the programme on October 11, 2021. The CA decided that HKTVE should be strongly advised to observe more closely the relevant provisions of the TV Programme Code; and

(b) A complaint about the radio programme "On a Clear Day" broadcast on December 10, 2020, on the CR 2 Channel of Hong Kong Commercial Broadcasting Company Limited (CRHK). The CA decided that CRHK should be strongly advised to observe more closely the relevant provision of the Radio Programme Code.

Details of the above cases are at www.coms-auth.hk/filemanager/en/content_713/appxC_20220224.pdf.

Note 1: This approval granted by the CA would not obviate Fantastic TV's responsibility to fulfil the obligations and commitments currently applicable to it in connection with the use of a fixed network to transmit free TV service under its free TV licence.

Note 2: The conditions of Fantastic TV's current free TV licence are premised upon the use of a fixed network as its transmission means. Such requirements are less onerous than those currently applicable to the incumbent free TV licensees that employ spectrum as a means of transmission.

Note 3: The original investment plan of Fantastic TV for the same period amounted to \$1,176 million.