

LCQ13: Fibre-based fixed broadband networks

Following is a question by the Hon Chan Hak-kan and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (August 25):

Question:

It has been reported that currently quite a number of old buildings (including tenement buildings) in Hong Kong are not covered by fibre-based fixed broadband networks (fibre-based networks). In this connection, will the Government inform this Council:

- (1) of the number of residential units currently covered by fibre-based networks, and set out a breakdown of such number and the average network access speed by District Council district;
- (2) of the current number of staff members of the Office of the Communications Authority (OFCA) who are responsible for the coordination work for the extension of fibre-based networks in Hong Kong;
- (3) as the Government indicated in 2017 that OFCA had not kept information on a breakdown, by age of buildings, of the number of buildings without fibre-based network coverage, whether OFCA has now kept such information; if so, of the details; if not, the reasons for that, and whether OFCA has plans to keep such information in the coming three years; if so, of the details; if not, the reasons for that;
- (4) given that the Communications Authority may grant network services operators (operators) authorisation for gaining access, under section 14(1) of the Telecommunications Ordinance (Cap. 106), to the common parts of private buildings to install and maintain in-building telecommunications systems, of the number of times for which operators were granted such authorisation for particular occasions, in each of the past three years and this year to date;
- (5) as currently one of the reasons for some old buildings in urban areas not having access to fibre-based network services is that the owners/owners' corporations/property management companies of such buildings have been unable to reach an agreement with any operator on matters of installation of a fibre-based network system inside the building, whether the Government has taken any measures to facilitate the various parties concerned to reach such an agreement; if so, of the number of agreements that it facilitated to reach and the establishment of the staff members responsible for such work, in each of the past three years and this year to date; if not, the reasons for that; and
- (6) as the Government has indicated that residents in urban areas may opt for

high speed mobile broadband services as an alternative for fibre-based network services, but the former normally charge higher fees with restrictions on data usage, whether the Government has studied the provision of better alternatives for residents of buildings currently not covered by fibre-based networks; if so, of the details; if not, the reasons for that?

Reply:

President,

Hong Kong has adopted a market-led approach in regulating the telecommunications sector, by providing a highly open and level-playing market enabling excellent and affordable telecommunications services for consumers. All licensed local fixed network operators (FNOs) may expand their networks and provide users with fixed network broadband service in accordance with their licence conditions and business plans. Meanwhile, the Office of the Communications Authority (OFCA) has been facilitating FNOs to improve their services and network coverage in different parts of the territory.

Our reply to the various parts of the question raised by the Member is as follows:

(1) to (3) As at May 2021, the household broadband penetration rate in Hong Kong reached 95.6 per cent, with 90.8 per cent of the households having a choice of at least two FNOs. On the speed of broadband services, according to the World Competitiveness Yearbook 2021 published by the International Institute for Management Development, Hong Kong ranked second in the average broadband Internet speed out of 64 economies.

On household coverage, about 2.5 million or 84 per cent of the households in Hong Kong have access to fibre-based networks. While OFCA does not have information about the age of the concerned buildings, breakdown by District Council district and network access speed, most of the households currently without access to fibre-based networks are located in rural areas. The Government has therefore launched a subsidy scheme to encourage telecommunications operators to extend their fibre-based networks to remote villages. New fibre-based networks are being extended progressively to a total of 235 villages across nine districts in the New Territories and on outlying islands from this year onwards, benefitting some 110 000 villagers.

As regards the small number of old buildings in the urban areas currently without access to fibre-based networks, OFCA will assist residents in need to follow up with the operators. Besides, OFCA will facilitate the operators' expansion of the networks, including co-ordinating their road opening works and assisting them in gaining access to the buildings concerned for network set-up. OFCA does not have specific manpower establishment for handling such work and will deploy manpower flexibly to handle depending on the workload.

(4) Under Section 14(1) of the Telecommunications Ordinance, eligible FNOs may apply to the Communications Authority for authorisation to place and maintain telecommunications lines and related facilities at the common parts

of buildings. At present, a total of eight operators have obtained such authorisation.

(5) OFCA organises or participates in events in various districts to provide the public, owners' corporations, and property management companies with the latest information about telecommunications services and encourage them to discuss and reach agreements with operators to enhance the telecommunications infrastructure of buildings, including fibre-based broadband networks. Over the past three years, OFCA has participated in 12 seminars and organised 5 exhibitions.

OFCA provides appropriate mediation/support services for cases involving the telecommunications infrastructure of buildings or residential estates. Over the past three years, OFCA has handled 321 telephone/email enquiries and provided mediation/support services for 89 cases, most of which have been resolved. OFCA does not have specific manpower establishment for handling such work and will deploy manpower flexibly to provide service depending on the workload.

(6) Hong Kong's mobile network services are well established. Whilst only a small number of old buildings in urban areas do not have access to fibre-based networks, households in general may opt for mobile broadband services provided by mobile network operators (MNOs). Since the launch of the fifth generation (5G) mobile services in April 2020, 5G network coverage has exceeded 90 per cent, and the download speed of 5G networks is comparable to that of fixed broadband services. At present, all four MNOs offer residential wireless broadband services supported by 5G networks. Some service plans offer unlimited data usage at competitive prices. The charges of some service plans are as low as about \$200 per month, providing residential users with an alternative to fixed broadband services.