

Public consultation on telecommunications licence fees reduction and introduction of new fee component launched

The Commerce and Economic Development Bureau (CEDB) and the Communications Authority (CA) today (June 8) jointly launched a public consultation to invite views from the industry and interested parties on the proposed reduction of licence fees for five types of licences issued under the Telecommunications Ordinance, and the proposed introduction of a new fee component under unified carrier licence (UCL).

For UCLs, services-based operator licences (Class 3) and public radiocommunications service licences (Paging), licence fee for each customer connection/mobile station is proposed to be reduced from \$7 to \$5. For mobile radio system mobile station licences and private mobile radio system licences, licence fee for each mobile station is proposed to be reduced from \$270 to \$220. Holders of these five licences will benefit from the fees reduction proposal.

A new fee component for provision of Wireless Internet of Things (WIoT) services under UCL is also proposed.

"The introduction of the new fee component, at a much reduced level at \$2 for each WIoT device, will align the WIoT device fee under UCL with that under the WIoT Licence, and will further facilitate the development of WIoT services in Hong Kong," a spokesman said.

"The licence fees review has been conducted in accordance with statutory requirements and the latest Government's financial guidelines for trading funds. The fee proposals are in line with the cost recovery principle," the spokesman added.

Subject to the views and comments received and the necessary legislative amendments, the proposed licence fees reduction and the proposed introduction of the new fee component for WIoT devices under UCLs will take effect from January 2019.

The consultation paper can be downloaded from the websites of the CEDB (www.cedb.gov.hk/ccib/eng/paper/pdf/2018_licence_fee_eng.pdf) or the CA (www.coms-auth.hk/filemanager/en/content_711/cp20180608_e.pdf). Views on the consultation paper should be sent by post to the Office of the Communications Authority, 29/F, Wu Chung House, 213 Queen's Road East, Wan Chai, Hong Kong, by fax to 2834 1797, or by e-mail to consult-licence-fee-reduction-2018@ofca.gov.hk on or before July 9, 2018.