

## **BROADCASTING IN HONG KONG**

### **KEY POINTS**

1. The policy objectives are to widen the programme choice and diversity through competition, facilitate investment and innovation in the broadcasting industry and enhance Hong Kong as a regional broadcasting hub.
2. Since the enactment of the Broadcasting Ordinance in 2000, the Government has introduced a technology-neutral regulatory regime for television broadcasting services. Under the new regulatory regime, the “provision” and “carriage” of television programme services are separately licensed and regulated under the Broadcasting Ordinance (Cap. 562) and the Telecommunications Ordinance (Cap. 106) respectively. A television programme service licensee may choose to hire the transmission service of any licensed carrier to deliver its television service by any feasible technology (terrestrial broadcasting, hybrid fibre coaxial cable, satellite, or ADSL) instead of establishing and maintaining a television transmission infrastructure itself. This has lowered the entry barrier for television services. The regulatory regime also reflects the Government’s policy objectives of fostering fair and effective competition in the market and promoting plurality and diversity of TV programme services.
3. Moreover, the Government encourages competition in TV markets. There is no pre-set ceiling on the number of licences to be issued subject to physical or other constraints, e.g. spectrum availability. Interested parties may submit applications for television programme service licences any time. At present, over 230\* domestic and regional television channels provided by television programme service licensees in Hong Kong are available for reception by Hong Kong viewers.
4. Hong Kong is an ideal place for uplinking satellite television services to the Asia-Pacific region due to its proximity to Mainland China, excellent infrastructure, freedom of speech and pool of talents. Currently, there are 13 non-domestic television licensees providing satellite television serving viewers in Hong Kong and the Asia-Pacific region.

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\* Some channels are provided by more than one licensee.

## **BACKGROUND**

### **Broadcasting Authority**

5. The Broadcasting Authority (BA) is the statutory and independent regulator of broadcasting services in Hong Kong. It was set up in September 1987 under the Broadcasting Authority Ordinance (Cap. 391). It comprises 12 members, three of whom are officials. The BA's major functions are to make recommendations to the Chief Executive in Council with respect to the licensing of domestic television and radio services; to grant licences for non-domestic and other licensable television programme services; and to secure proper programming and advertising standards for broadcasting services in Hong Kong. The BA Complaints Committee deals with complaints about broadcasting matters and recommends to the BA follow-up action. The BA Codes of Practice Committee reviews the codes of practice on programme, advertising and technical standards for both television and radio services. The Television and Entertainment Licensing Authority (TELA) is the executive arm of the BA. Among other things, it deals with complaints and ensures broadcasting licensees' compliance with the legislation, licence conditions and codes of practice.

6. The BA has promulgated a set of generic codes of practice for television programme services under the regulatory and licensing regime provided for in the Broadcasting Ordinance. It has also issued a set of competition guidelines to explain how it will enforce the competition provisions in the Broadcasting Ordinance. The generic codes of practice and the competition guidelines are available on the BA's website at <http://www.hkba.hk>.

7. The BA has published guidance notes for applicants of the four different categories of television programme service licences. The guidance notes and related documents and forms are also available on the BA's website.

### **Television Broadcasting**

8. Under the Broadcasting Ordinance, there are four categories of television programme services, namely domestic free, domestic pay, non-domestic and other licensable television programme services, which are regulated according to their nature and pervasiveness rather than their transmission mode. The former two categories of licences are issued by the Chief Executive in Council and the latter two by the Broadcasting Authority.

9. **Television Broadcasts Limited (TVB)** and **Asia Television Limited (ATV)** each operates one Cantonese channel and one English channel. The two companies are required to broadcast news, documentary, current affairs, arts and culture programmes and programmes for children (including educational programmes targeting teenagers), young persons and senior citizens, as well as programmes provided by Radio Television Hong Kong (RTHK). Their licences have been renewed for another 12 years until December 2015.

10. In 1993, **Hong Kong Cable Television Limited** (HKCTV) (then known as Wharf Cable Limited) launched a domestic pay television programme service of eight channels. The number of channels has now increased to 91. HKCTV's pay TV service is mainly transmitted over its hybrid fibre coaxial cable network, which is supplemented by means of microwave and satellite. HKCTV started digitization of its service in December 2001 which was completed in June 2004. The licence of HKCTV has been renewed for another 12 years until May 2017.

11. In March 1998, the second domestic pay television programme service licensee, **PCCW Media Limited** (PCCW Media) (formerly PCCW VOD Limited), launched the world's first commercial video on demand (VOD) programme service which offered viewers a choice of interactive multimedia services including on-demand programmes, interactive learning programmes, and home-shopping and home-banking services. The VOD service has now been replaced by a multi-channel television service transmitted through the telephone network of PCCW-HKT Limited using ADSL technology since late September 2003. PCCW Media now provides 57 television channels and 15 audio channels under the brand name "Now Broadband TV".

12. In December 2000, **Galaxy Satellite Broadcasting Limited** (Galaxy), was granted a domestic pay television programme service licence by the Chief Executive in Council. Galaxy commenced its domestic pay television programme service in February 2004. It now provides 35 television channels transmitted via satellite. Galaxy plans to deliver its service via the broadband network of Hutchison Global Communications Limited, in addition to its existing satellite transmission, within 2005.

13. In 1991, the first Hong Kong-based non-domestic television programme service operator, **Starvision Hong Kong Limited** (then known as Hutchvision Hong Kong Limited), started a five-channel satellite television service (STAR TV) broadcasting to the entire Asian region. It now offers 27 channels of programmes, four of which are receivable in Hong Kong through satellite master antenna television systems. Currently, there are 12 other non-domestic television programme service licensees: **Galaxy, APT Satellite TV Development Limited, Starbucks (HK) Limited, Asia Plus Broadcasting Limited, MATV Limited, Turner International Asia Pacific Limited, China Entertainment Television Broadcast Limited, i-CABLE Satellite Television Limited, Sun Television Cybernetworks Enterprise Limited, Pacific Century Matrix (HK) Limited, Skywave TV Company Limited and ATV.**

### **Sound Broadcasting**

14. There are 13 local radio channels serving Hong Kong. Seven channels are operated by the public broadcaster – **Radio Television Hong Kong** (RTHK). The remaining six channels are operated by two commercial broadcasters, namely **Hong Kong Commercial Broadcasting Company Limited** (Commercial

Radio) and **Metro Broadcast Corporation Limited** (Metro Broadcast), each broadcasting three channels.

15. RTHK is a government department serving as the editorially independent public broadcaster of Hong Kong. It offers high-quality programming services which inform, educate and entertain the community. RTHK has launched a Putonghua radio channel since March 1997 to cater for the increasing demand of listeners who speak Putonghua as their first or second language.

16. Commercial Radio was established as an alternative to the public broadcaster in 1959. Another commercial radio broadcaster, Metro Broadcast, commenced broadcasting in 1991. Both stations run three channels and are required to provide balanced entertaining, informative and educational programmes. In particular, they are required to broadcast news and weather reports, current affairs, arts and culture programmes and programmes for young persons and senior citizens. Their licences have been renewed for another 12 years until August 2016.

### **Latest Developments**

#### *Digital Terrestrial Television (DTT)*

17. To enhance Hong Kong's position as a broadcasting hub in the region, the Government announced in July 2004 the implementation framework for DTT. Under the framework, the two incumbent terrestrial broadcasters, i.e., ATV and TVB, are required to launch DTT by 2007 and achieve 75% of digital coverage by 2008. The Government will collaborate with the industry and the community to ensure a smooth transition from analogue to digital terrestrial broadcasting.

#### *Review of the Broadcasting Regulatory Regime*

18. The Government is currently reviewing the broadcasting regulatory regime. The review covers convergence strategy, media ownership and the merits of establishing a unified regulator overseeing the electronic communications sector. This is to ensure that the regulatory framework remains conducive to the development of the broadcasting industry in a converging environment. The Government plans to consult the public in 2005 on the proposal for merging the Broadcasting Authority and the Telecommunications Authority into a single regulator.