

Subsidy Scheme to Extend 5G Coverage in Rural and Remote Areas ("Rural 5G Subsidy Scheme")

Telecommunications Regulatory Affairs Advisory Committee
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Background

- Hong Kong's overall 5G network coverage is among the highest in the world



- However, given the geographical span in rural and remote areas in Hong Kong as well as the ruggedness of the terrain, the existing mobile network coverage and capacity in some of these areas are not comparable to those in the urban areas



- Moreover, as customer demand in these areas is relatively low, mobile network operators (MNOs) may lack the commercial incentive to expand their mobile network infrastructure in these areas



The Proposed Subsidy Scheme

- Therefore, the Chief Executive announced in the 2023 Policy Address that the Government will study how to expedite the expansion of mobile network infrastructure in rural and remote areas through financial subsidies



- After taking into account and assessing the inputs from MNOs and relevant Government Departments, Commerce and Economic Development Bureau (CEDB) and Office of the Communications Authority (OFCA) have formulated the proposed framework and arrangements for the Scheme



Proposal: Eligibility and Requirements

- **Eligibility**: All licensed MNOs in Hong Kong are eligible to participate in the Scheme
- **Selection of Radio Base Stations (RBS) Site Locations**: The Scheme will cover about 50 sites located in country parks, outlying islands and other rural and remote areas in different districts for installation of new RBS
- **Technical Requirements**: RBS shall provide 5G (or more advanced communications technology) service at a minimum average download speed of no less than 100 Mbps. MNOs shall also ensure that these RBS can provide stable and quality mobile services
- **“Shared-use Principle”**: MNOs shall follow the “shared-use principle” in installing and operating RBS at various locations to ensure that each RBS can be fully utilised to provide services to the public



Proposal: Amount of Subsidy and Implementation Timetable

Proposed Amount of Subsidy:

- A subsidy amount capped at HK\$2 million will be set for subsidy for each RBS project, which will be provided to the lead MNO on a reimbursement basis
- To attract applications from MNOs for certain sites with more complex civil works, an additional subsidy of not more than HK\$2 million will be provided for these sites

Implementation Timeframe:

- The Scheme will be implemented in two phases. 30 RBS sites, which are more technically ready or with pressing needs to enhance mobile network coverage, will be included in Phase I. The remaining 20 RBS, which need some time before they can be made available for RBS installation or require further technical assessment, will be included in Phase II
- An RBS shall be installed and put into service within the next 12 months, after OFCA's approval of the application



Proposal: Key Performance Indicator

- The preliminary performance indicators are as follows:

Milestone	Accumulated number of installed RBS
Within one year after launch of Scheme	15 (30% of all RBS)
Within two years after launch of Scheme	25 (50% of all RBS)
Within three years after launch of Scheme	40 (80% of all RBS)
Within four years after launch of Scheme	50 (All completed)

Other Matters: Protection of Surrounding Environment

Environmental Protection:

- OFCA will ensure that MNOs shall comply with relevant regulations during the installation of RBS:
 - ▶ to reduce the impact of the RBS installation work on the surrounding environment, nearby residents and other members of the public



Visual Impact:

- To reduce the negative visual impact on the surrounding environment by the RBS equipment, MNOs are required to:
 - ▶ adopt appropriate exterior designs to match and blend with the appearance of the building as far as possible
 - ▶ minimise the space occupied as far as practicable



Other Matters: Radiation Safety

Radiation Safety Standard:

- Adopt the non-ionizing radiation safety limits set by the International Commission on Non-ionizing Radiation Protection as the standard for regulating RBS
- Consult the Department of Health for professional advice from time to time

Approval for Use of RBS:

- Before Use: Must meet the safety assessment of the OFCA
- After Activation: On-site measurement reports must be submitted to confirm compliance with radiation safety standard

Monitoring of Radiation Safety:

- Over the past three years, OFCA
 - ▶ conducted nearly 900 measurements on radiation level in residential premises on request by members of the public
 - ▶ proactive sampling of nearly 10 000 RBS



All measured results comply with radiation safety standard

Thank you

