



NBTC

**National Broadcasting and Telecommunications
Commission**

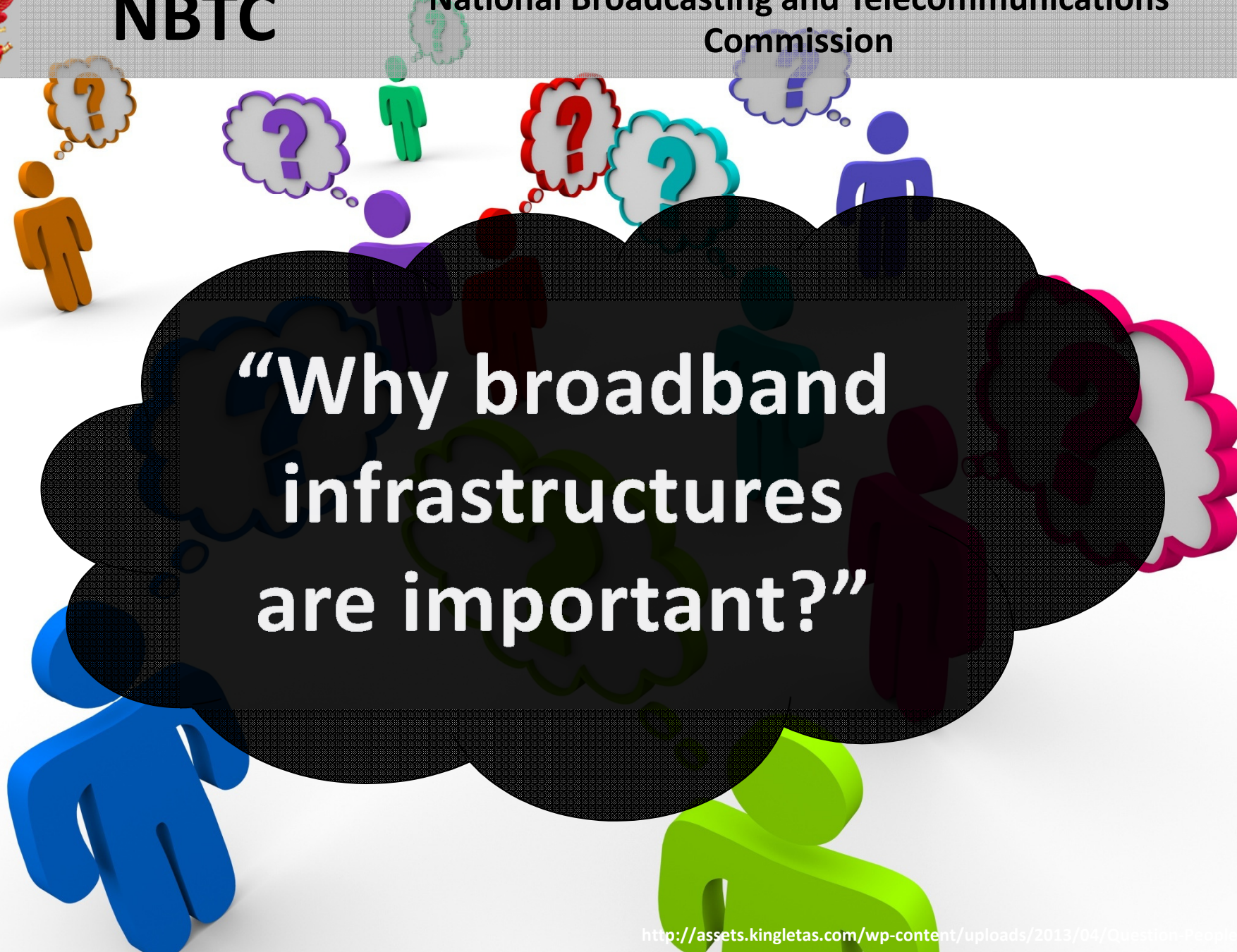
En-route towards Liberalization of Telecommunications Industry in Thailand

Colonel Dr. Settapong Malisuwan
Thursday, 2 July 2013



NBTC

**National Broadcasting and Telecommunications
Commission**



**“Why broadband
infrastructures
are important?”**



NBTC

**National Broadcasting and Telecommunications
Commission**

**Availability of broadband infrastructures, either fixed
or mobile, can contribute to economic growth**

GDP contribution

**10% points increase in broadband penetration raises
annual per capita growth by 0.9 - 1.5 % points**

**EU: NGN could add an additional 0.5-1.0% to the annual
European GDP**

Employment

**France: in the past 15 years 2.4 jobs were created for
every one destroyed by ICTs**

**It is estimated that NGN could add an additional 0.5-1.0%
to the annual European GDP**

**Growth in other
sectors**

**OECD: building of FTTH could result in savings of 0.5-1.5%
in electricity, education, transport and healthcare**



NBTC

**National Broadcasting and Telecommunications
Commission**

**“How about
Thailand?”**



- Overview of Thai telecommunication industry
- Telecommunications liberalization process
- Existing telecommunications regulatory framework
- Challenges and opportunities for the future



NBTC

National Broadcasting and Telecommunications Commission

Thailand: A big picture

Economy

Quality of Life

Population

68 million

Population Density

50 persons per sq km

Urban Population

%

Households

25 million

Gross Domestic Product (GDP)

USD xxx billion

GDP per capita

5000 USD

ICT contribution to GDP

1.8%

Per Capita Income

4,440 USD

Literacy rate

93% (people ages 15 and above)

Unemployment rate

0.7%



NBTC

National Broadcasting and Telecommunications
Commission

Thai Telecommunications Statistics (2012)

7,000,000

Fixed line subscriptions



3

Main fixed line operators

80,000,000

Mobile users
(121.3% penetration)



3

Main mobile operators
(Total of 6 operators)

11,500,000

Internet Users



12

International Internet Gateway
(9 have their own networks)

6,271,600

Total Broadband Subscriptions
(9% broadband penetration)



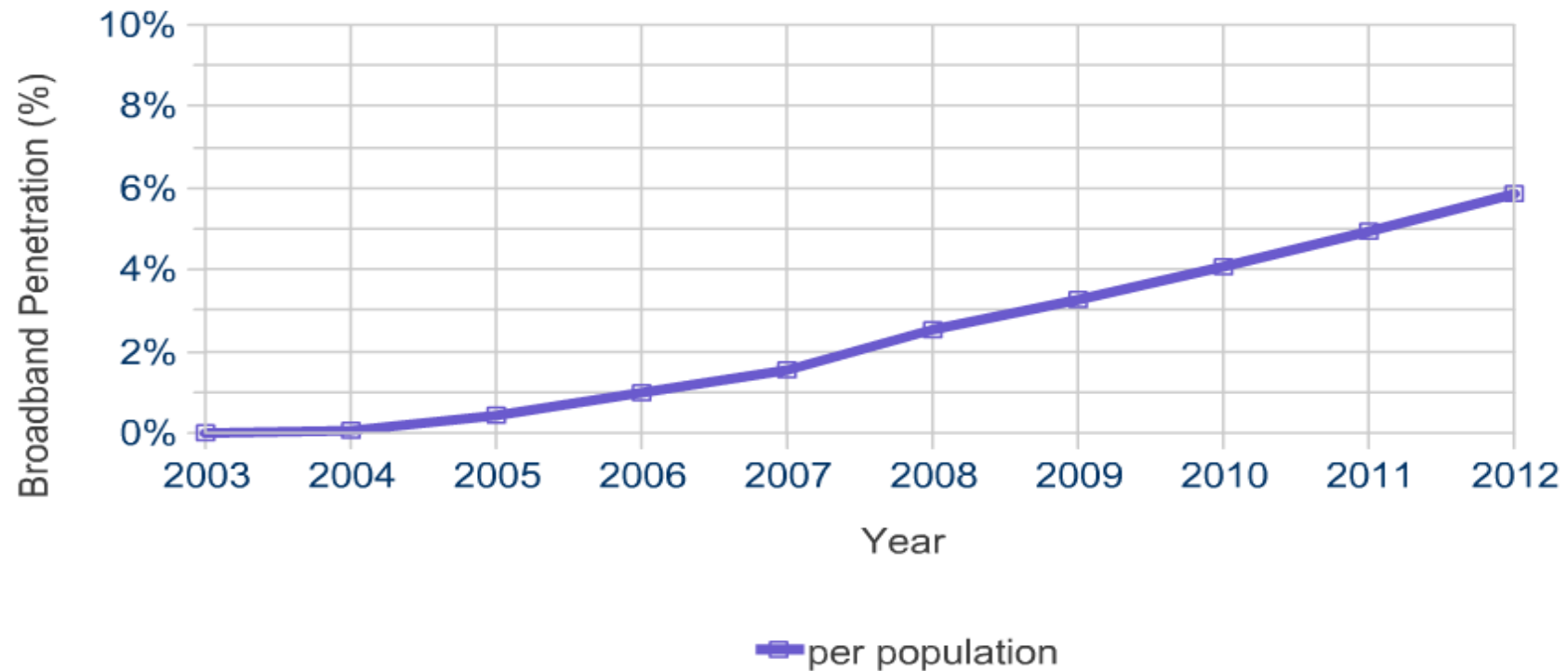


NBTC

National Broadcasting and Telecommunications Commission

Digital Divide

Broadband Penetration (%) Per Population



Last updated: 10 September 2012

** Estimated information for Q3 Year 2012.

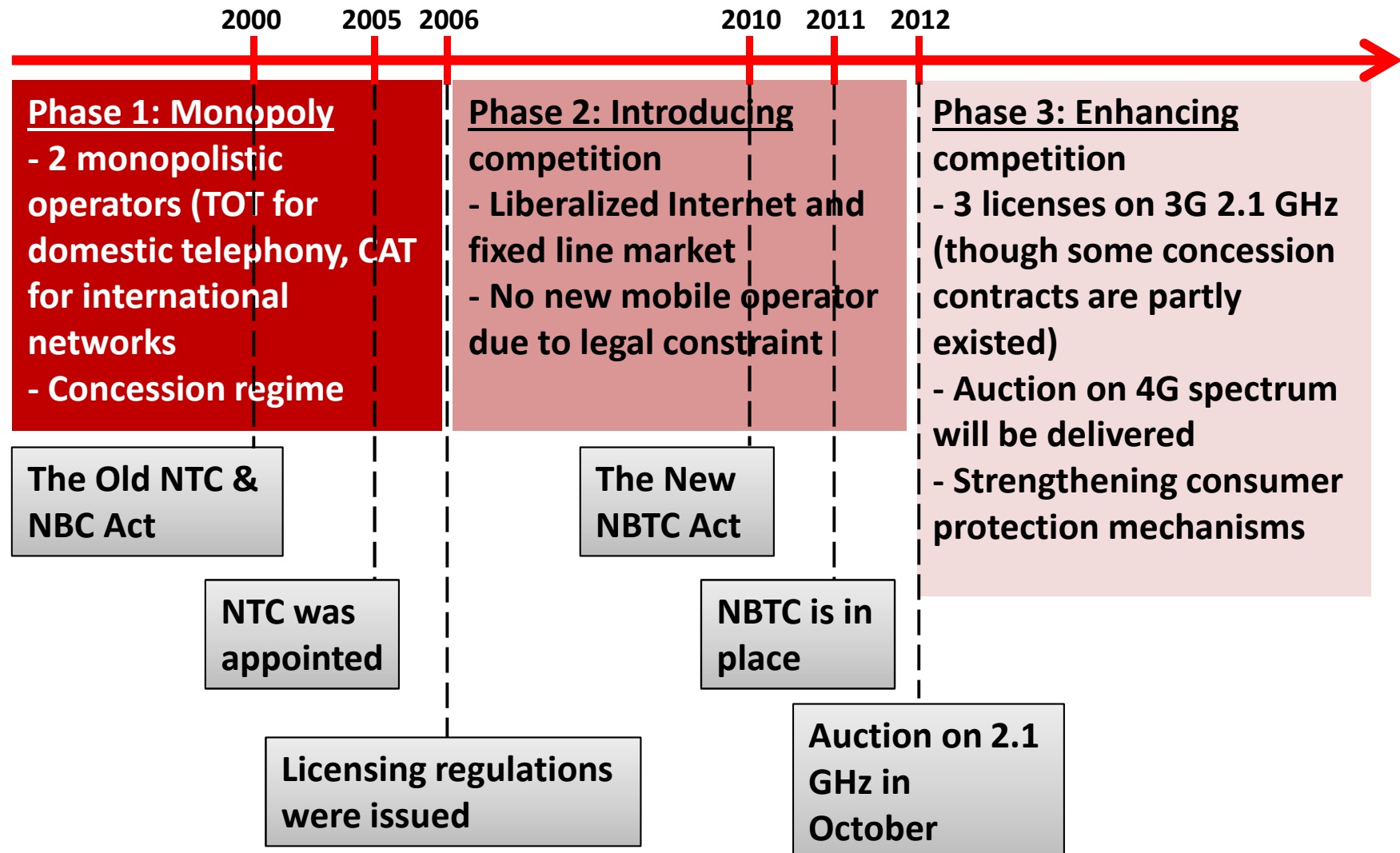
Source: Calculation



NBTC

National Broadcasting and Telecommunications
Commission

3 major phases of Thai telecom liberalization

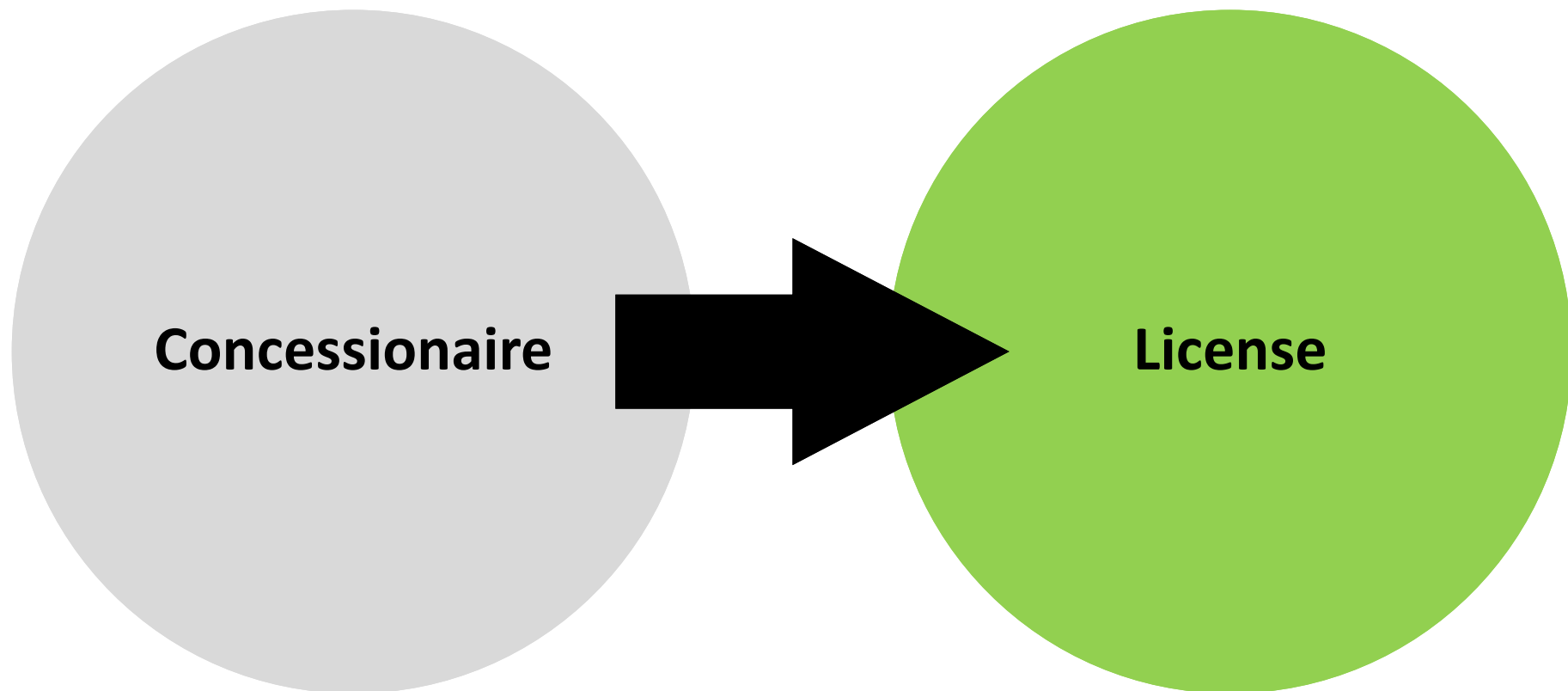




NBTC

**National Broadcasting and Telecommunications
Commission**

Major Role of NBTC





NBTC

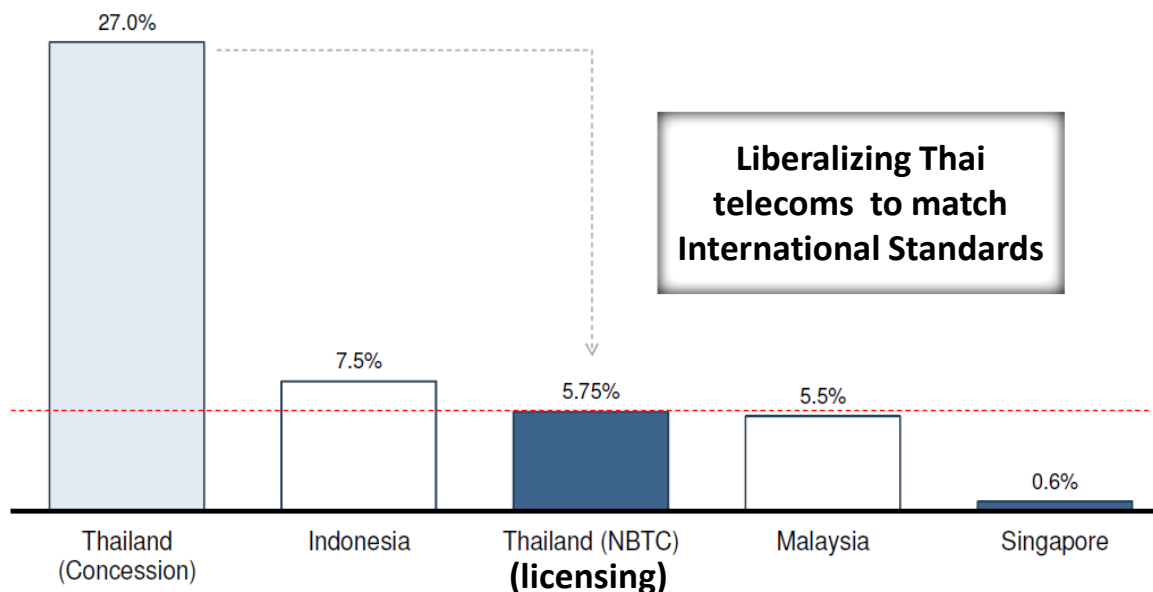
National Broadcasting and Telecommunications Commission

Transcend from Traditional Concessionaire Regime to Licensing Regime

**Due to concessionaire regime, spectrum has
not been injected into the Thai
telecommunications for more than a decade**

**First time in implementing
auction according to NBTC Act
(2010). Auction allows basis for
fair and transparent spectrum
assignment**

Regulatory cost benchmarks, % of Revenues



**This spectrum auction is the
first act in injecting spectrum
supply where demand has been
growing exponentially for
almost a decade**

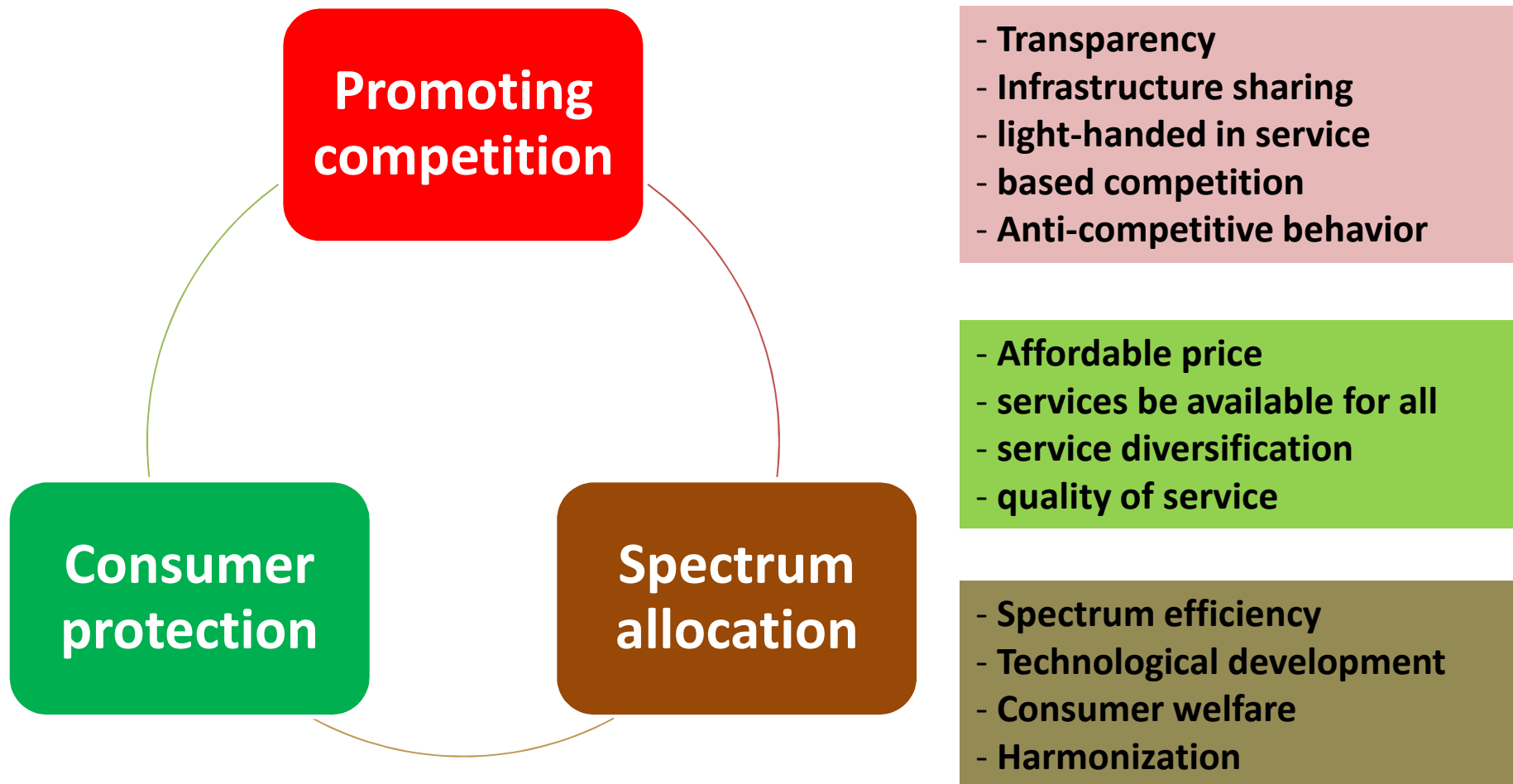
**First milestone to transform
from traditional concessionaire
regime to licensing regime.**



NBTC

National Broadcasting and Telecommunications
Commission

Existing Thai telecommunications regulatory framework





NBTC

National Broadcasting and Telecommunications
Commission

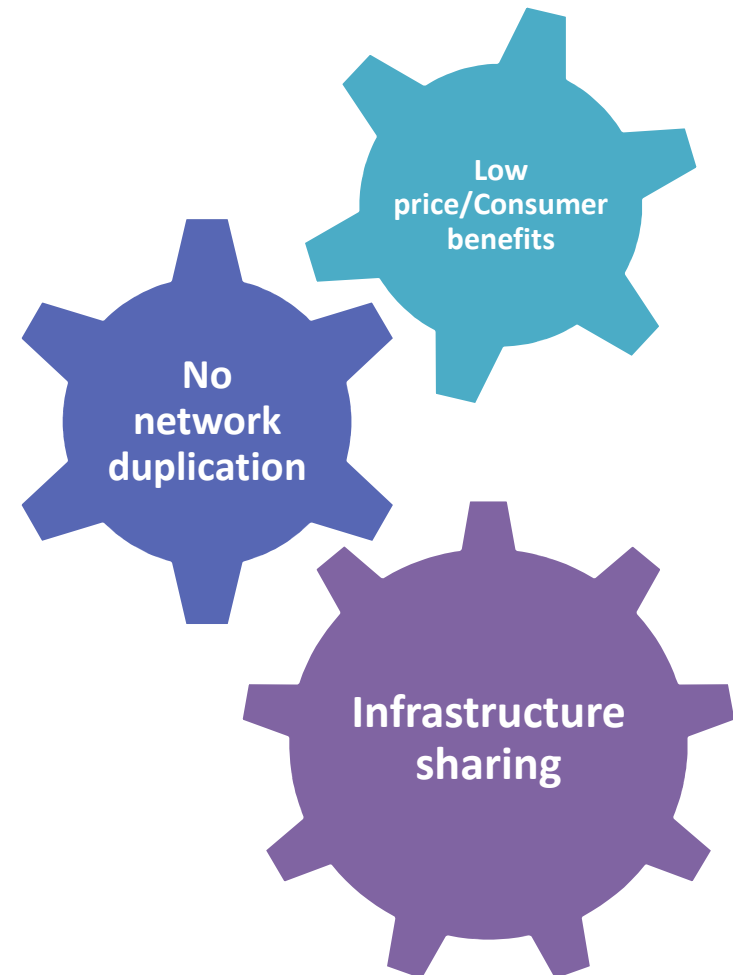
Key strategies to promote mobile market competition

Spectrum assignment

- 2.1 GHz auction in October 2012
 - transcend from traditional concessionaire regime to licensing regime
 - 3 operators are awarded
- 1800 MHz auction soon will be conducted

Key regulatory framework

- Technology neutrality
- Infra sharing
- MVNO and Roaming obligations



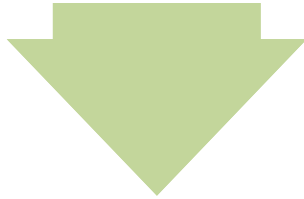


NBTC

**National Broadcasting and Telecommunications
Commission**

Key strategies for consumer protection

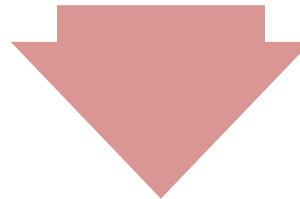
Quality of Service



**Regulations on technical
standards**

Mobile drive test

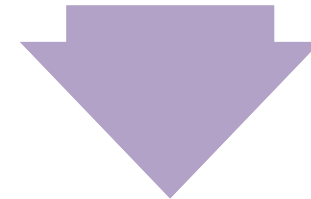
Rate Regulation



**Price regulations on
mobile services**

Price cap regulation

**Resolution of
consumer
complaints**



**Consumer hotline
1200**

ADR mechanism

Complaint handling



NBTC

**National Broadcasting and Telecommunications
Commission**

Challenges and opportunities for the future

Global challenges

Technology development

International harmonization

Environment protection

Challenges

Satellite service

Foreign dominance

Opportunities

Potential to be ASEAN ICT hub due to location

Evolving market due to increasing demand and increasing of application and content providers

Broadband is an enabler of economic and social development due to strong commitment to move towards Smart Thailand



NBTC

National Broadcasting and Telecommunications Commission

Council of Trade in Services : CTS

Council of Trade in Services in Norway : CTS inquired about Foreign Dominance in the meeting on Services Cluster between 5-6 December 2012. Dr Suthipol from NBTC, had visited Geneva, Switzerland during 20-21st March 2013 in order to respond to doubts on Foreign Dominance and we agree that it was a successful meeting.





NBTC

National Broadcasting and Telecommunications Commission

The End of Spectrum Auctions?



Case study of Czech

The Czech Telecommunication Officer (CTO) cited "excessively high" spectrum prices as the main reason for the cancellation, fearing these high prices would lead to higher prices for mobile broadband and slower deployment. A set of well-defined, competition-focused rules for spectrum acquisitions, particularly in auctions, would best serve the dual goals of putting spectrum to use quickly and promoting consumer welfare in wireless markets.



Case study of UK

The auction, which concluded in February, raised £2.3bn, which was £1.2bn less than the Chancellor of the Exchequer budgeted for. Apparently the NAO does not believe that the CCA delivered what it should and is taking a politician's budget target as an indication of the "right price", and this despite the fact that Ofcom made clear that the primary objective of the auction was not to maximise the amount of money raised



Case study of India

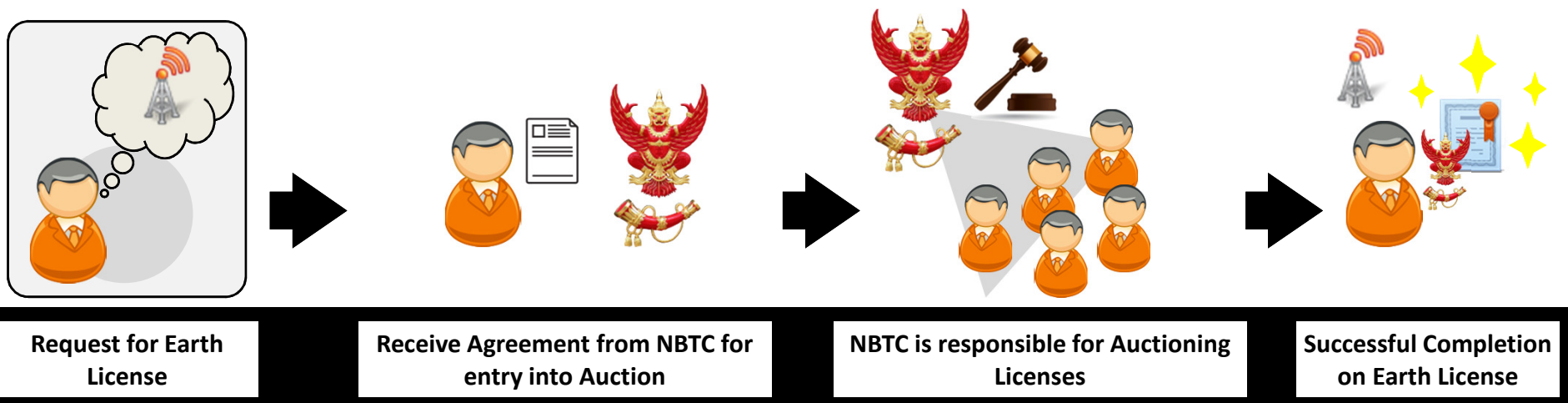
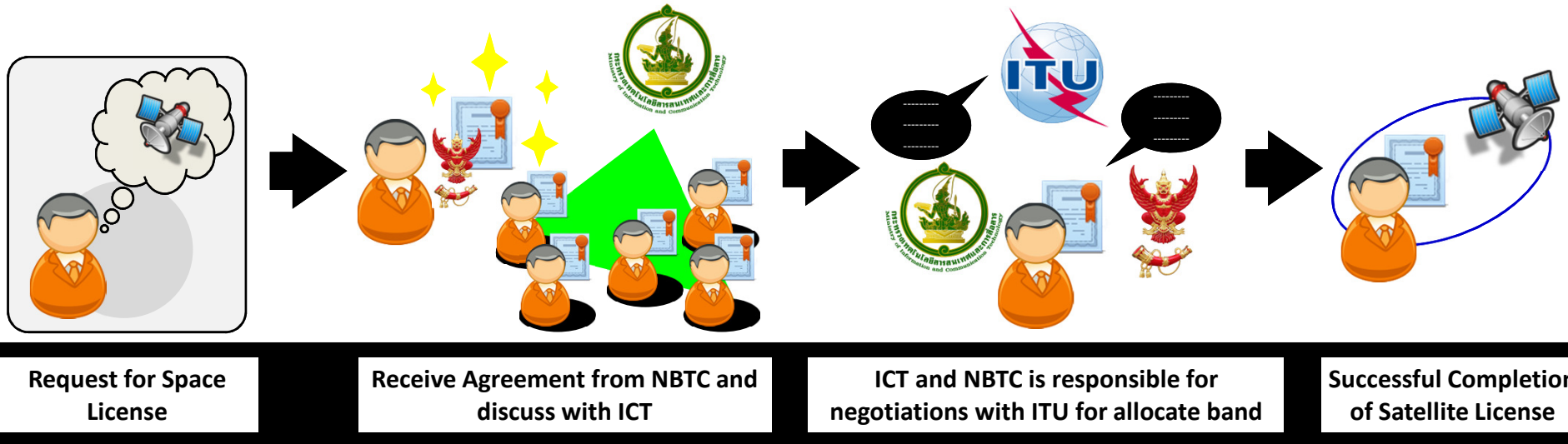
High auction prices in India, burdened consumers with high prices for cellular and data services.



NBTC

National Broadcasting and Telecommunications Commission

Satellite

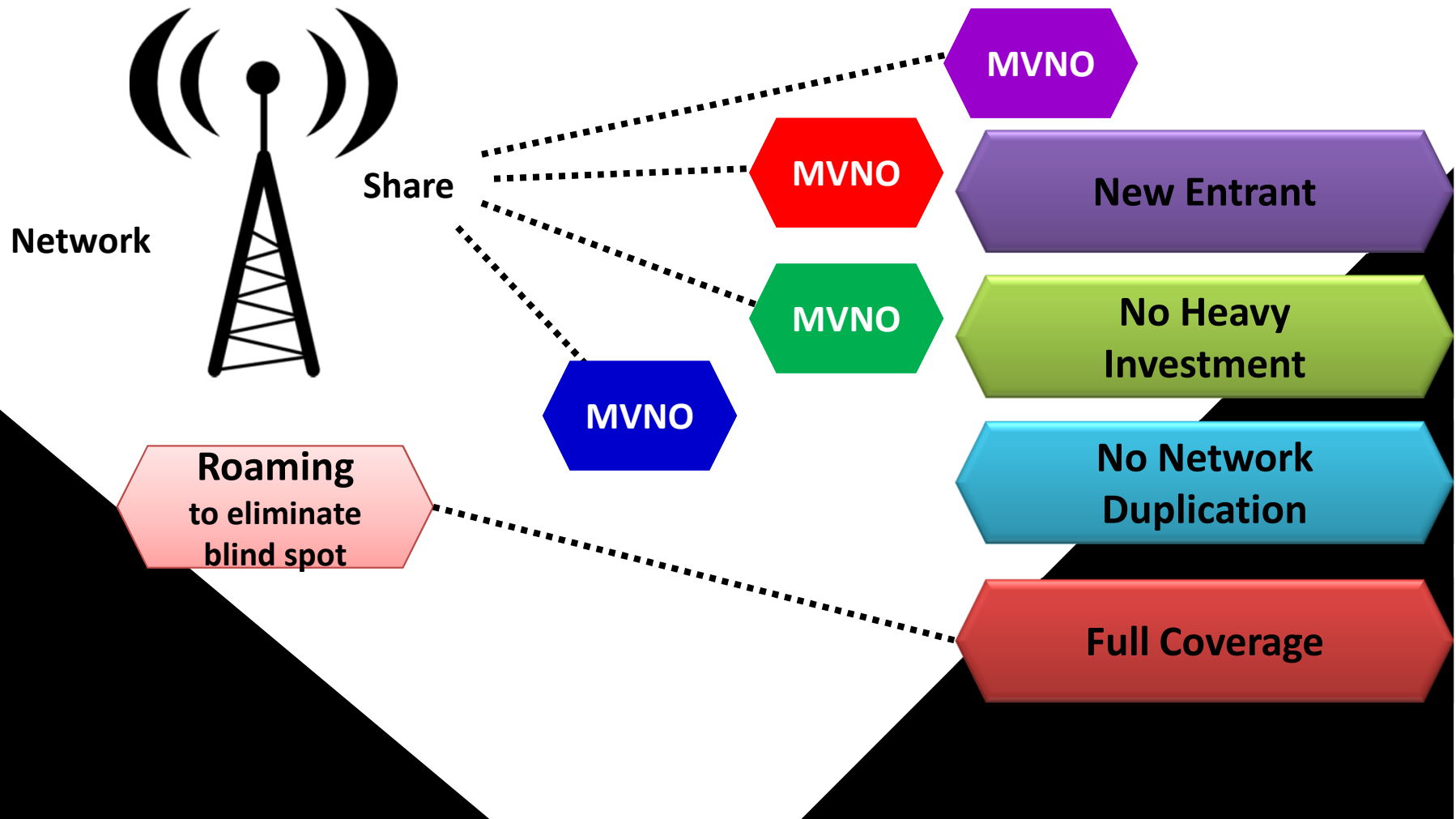




NBTC

National Broadcasting and Telecommunications
Commission

Infrastructure Sharing





NBTC

**National Broadcasting and Telecommunications
Commission**

Thank you

Colonel Dr. Settapong Malisuwan
Thursday, 2 July 2013