

Panel OKs draft on spectrum recall, including compensation

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The telecom committee of the communications watchdog approved a regulatory draft yesterday on the recall of unused spectrum for auctions to serve future 5G adoption.

The board of the National Broadcasting and Telecommunications Commission (NBTC) will hold a meeting on Nov 20 for official approval, aiming to put the regulation into effect on Dec 1.

The draft is in line with Section 27 of the amended Frequency Allocation Act, effective since June. The section states that the regulator must recall spectrum slots, many of them held by state agencies with inefficient usage, to be reallocated via auction.

The new regulation also lets the regulator pay compensation to spectrum holders.

At least three spectrum ranges are tipped for recall and future auctions under the NBTC's spectrum management roadmap for 2017-20, said secretary-general Takorn Tantasith.

The plan includes the 2600MHz, 1500MHz and 2300MHz spectrum ranges.

After enforcement of the new regulation, the NBTC will set up a subcommittee on compensation for returned spectrum, Mr Takorn said.

The subcommittee will include representatives of state agencies such as the

Finance Ministry, the Budget Bureau, the National Economic and Social Development Board and the Digital Economy and Society Ministry.

"Once the subcommittee concludes details of the spectrum bandwidth to be recalled and compensation benchmarks, they will be submitted to the NBTC board for approval," Mr Takorn said. "After that, the NBTC will propose the details to those agencies that hold the spectrum for their consent."

He said the agencies can disagree with the details and compensation rate offered by the NBTC, in which case there will be negotiations.

"The whole process is targeted to be done within 150 days, as the NBTC needs to keep to its timeline and try to reallocate spectrum for optimum benefit of the public," Mr Takorn said.

He said the 2600MHz band will be the first case applied under the amended NBTC law for spectrum return and compensation.

State-owned public broadcaster MCOT holds 190MHz on the 2600MHz range under a concession that ends in 2022.

Previously, MCOT agreed to return an unused 90MHz of bandwidth to the NBTC in exchange for compensation.

Some global mobile operators, including China Mobile (the strategic partner of third-ranked local operator True Move),

have asked the regulator to set a clear spectrum auction roadmap — especially for 2600MHz, the most compatible band for 5G technology.

Mr Takorn said the latest moves will foster 5G development in line with the government's digital transformation goals.

Without adoption of 5G by 2030, Thailand will face an opportunity loss of 2.3 trillion baht or 20% of the country's present GDP, according to a recent study by the NBTC.

Manufacturing will be the most prominent sector expected to lose opportunity to create added value for businesses by that time if the country fails to adopt 5G, with an estimated hit of 700 billion to 1.6 trillion baht.

Mr Takorn said the NBTC's 2019 mission includes facilitating 5G adoption, achieving a sustainable resolution for digital TV and improving cybersecurity.

Other spectrum ranges targeted for recall include the 1500MHz band, which currently has 35MHz of bandwidth used by state telecom TOT for signal transmission services and 56MHz used by Chevron Thailand Exploration and Production and Chevron Offshore Thailand for surveying and petroleum production.

Mr Takorn said the roadmap to spectrum auctions includes 64MHz of bandwidth on the 2300MHz band held by TOT until 2025.