

TELECOM

Asian firms eye 700MHz auction

KOMSAN TORTERMVASANA

Two foreign mobile operators expressed interest in joining the 700-megahertz (MHz) spectrum auction unless the reserve price is based on the previous licence auction.

The two overseas operators are from Malaysia and South Korea. Representatives of the two companies recently met Takorn Tantasith, secretary-general of the National Broadcasting and Telecommunications Commission (NBTC), asking for details of the auction's procedures.

Meanwhile, the NBTC board yesterday insisted on holding the 700MHz auction date in May as originally planned, despite its subcommittee previously proposing the auction date be moved to December.

Mr Takorn said representatives of the foreign operators are interested in joining the spectrum auction owing to the high growth of mobile broadband usage and business ecosystem in Thailand,

which is one of the highest in the region.

"They are waiting for a final draft of the 700MHz auction conditions after the public hearing, with expectation that the reserve price of the licence will be attractive for investment," he said.

Mr Takorn said the 5G investment requires a huge investment in terms of both infrastructure upgrade as well as related equipment. The NBTC does not want to see a too high licence price as it will create a financial burden that will effect Thai competitiveness.

"I would like to see a 'set-zero' measure for the domestic telecom industry as a condition of the 700MHz auction," he said. "A hybrid auction is a good solution. Winners of the licences may be judged based on the best proposal for 5G tech development in the future and the highest bid price."

The major three mobile operators have heavy financial burdens from their 3G and 4G licences in previous auctions, with a combined worth of 270 billion baht, apart from their annual investment for network expansion, with each operator spending some 100 billion for the past three years.

Mr Takorn said he is considering a specific category to help the major operators receive some portion of the 700MHz licences at a reasonable price to ease their burden.

"More spectrum bandwidth may be created for the three major operators, encouraging them to invest in infrastructure development," he said.