

NBTC mulls loans for telecom firms

Scheme part of 5G investment incentives

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The telecom regulator plans to use the Broadcasting and Telecommunications Research and Development Fund (BTRDF) to provide low-interest loans to mobile operators as an alternative source of funding to expedite 5G-related investment.

The National Broadcasting and Telecommunications Commission (NBTC) wants to encourage major operators to invest in 5G wireless broadband infrastructure as the technology is set to launch commercially in 2020.

The regulator is also considering more flexible draft conditions for the planned auctions of several spectrum ranges.

Yesterday, Takorn Tantasith, secretary-general of the NBTC, said Thailand needs to be a leading player in Asean for 5G adoption.

"The adoption of 5G infrastructure requires huge investment and the business use cases are still immature. As the regulator, we want to ease the burdens for operators and promote infrastructure investment for the benefit of the country," he said on the sidelines of the opening ceremony for the 5G AI/IoT Innovation Centre at

MEASURES TO EXPEDITE 5G INFRASTRUCTURE INVESTMENT AND SPECTRUM AUCTIONS

Goal	Method
1 Adding funding source	Providing low-interest loans to telecom operators through NBTC's fund
2 Easing existing financial burden	Urging the government to invoke Section 44, allowing the winners of the 900MHz licences to expand the existing term of the licences
3 Minimising cost of licence for the upcoming auctions	<ul style="list-style-type: none"> ■ Designing auctions of 2600MHz, 26 and 28GHz through multi-band concept (buy one, get one range) ■ Designing long-term licence payment of 10 years or more ■ Designing different conditions and cost of what it called specific areas and nationwide areas

Remark: money from the auctions of 700MHz and 2600MHz will be partly used to subsidise the operation cost of digital TV operators under long-term survival plan.

Source: Compiled by Bangkok Post

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Chulalongkorn University.

He said the BTRDF has 40 billion baht that continues to earn fees from telecom companies and digital TV operators.

The NBTC earns an interest rate of

about 1.5% on the fund.

The money would be better applied to specific purposes such as the 5G infrastructure development and a spectrum auction that directly helps boost vertical industries and the country's



A robotic system being tested at the 5G AI/IoT Innovation Centre at Chulalongkorn University. Mobile operators have been reluctant to bid for the required spectra for 5G networks.
TAWATCHAI
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competitiveness, said Mr Takorn.

Telecom operators have paid into the fund through licences and operational fees that are then used to develop network infrastructure in remote areas.

If the NBTC provides loans to telecom operators at an interest rate equivalent to what the fund receives from banks, the NBTC or the state would not be losing benefits.

Telecom operators would get lower-interest loans compared with what they borrow from commercial banks.

The NBTC will start studying loan details for 5G infrastructure investment this week, especially regarding the legalities. If the fund's conditions need amendment, the NBTC will make the necessary changes.

The NBTC is preparing to auction 700MHz licences originally scheduled for May this year. Money from the 700MHz auction has been partially allotted to subsidise the operating costs of digital TV operators.

The three major mobile operators

have expressed no interest in participating in the auction, mostly due to financial reasons.

The operators have said the commercial launch of 5G in Thailand should be in 2021, or 1-2 years after the global market launch in 2020.

The NBTC is trying to draft conditions for other spectrum ranges that are due for auction this year, including the 26 and 28 gigahertz as well as the 2600MHz ranges, to attract major operators.