

EDITORIAL

Dilemma ON THE BRINK of the 5G age

BROADCASTING REGULATOR IS UNDERSTANDABLY HARD-PRESSED FOR TIME, BUT IT MUST BE EXCEEDINGLY CAREFUL IN HOW WE MOVE FORWARD

The right timing for auctioning off spectrum for the country's fifth-generation (5G) telecom infrastructure is now highly debatable at a time when the National Broadcasting and Telecom Commission (NBTC) suggests it is considering reallocating the 700MHz band sooner rather than later.

Digital TV broadcasters whose business has been disrupted by streaming and other new media technologies currently use part of the band. On one hand, the NBTC is responding to the money-losing broadcasting industry's demand for financial assistance. It tentatively

plans to auction off the 5G spectrum via digital compression of the 700MHz band.

On the other hand, the NBTC has faced criticism for its haste in calling bids for the 5G spectrum as early as this year, since this will require fresh and major investment by the private sector – at a time when it remains unclear how the business is evolving.

The crux of the dilemma is that the NBTC appears to be trying to tackle two separate issues in one go. It previously miscalculated the technology trend, resulting in a massive disruption facing multiple digital TV

licensees, whose business prospects have turned dismal after they committed investments worth tens of billions of baht each in an industry on which the sun was already setting.

The fourth-generation (4G) technology introduced a couple of years ago had already left the traditional digital TV industry with diminished prospects even before licensees launched their operations. A growing number of TV viewers, especially the younger generations, have moved to social media and other new platforms for their entertainment. The traditional TV sector is vastly contracted from what it once was.

The future of broadcasting probably lies in streaming and over-the-top (OTT) media platforms and the like, and their business models are significantly different from those of traditional TV broadcasters, whose licences granted by the NBTC are now hanging in the balance. This has prompted the agency to step in to avoid an industry-wide financial failure partly resulting from its own miscalculation.

Since the existing digital licences will remain valid for years to come, the NBTC aims to auction off the 700MHz spectrum soon to raise money to subsidise the failing

broadcasting industry. However, a mixed-up strategy could lead to negative consequences for the other sector as well as consumers.

For the 5G telecom infrastructure to deliver maximum public benefit, the agency needs to formulate a strategy independent of the digital TV broadcasting industry. The public deserves to see a well-designed plan for rolling out the infrastructure within an appropriate timeframe.

There is no denying that 5G is crucial to the country's development in terms of economic competitiveness and social wellbeing. The new infra-

structure facilitates the Internet of Things (IoT), "smart cities" and other advances currently beyond our reach due to limited connectivity capacity.

With 5G infrastructure, Thailand will be able to compete on the basis of "economy of speed" rather than economies of scale, while at the same time opening up new business and industrial opportunities, such as those related to autonomous cars. It thus becomes imperative that the NBTC review its plans for auctioning off the 5G spectrum in connection with helping the financially strapped broadcasting industry.