

Footy spend riles scholars

B1.6bn World Cup rights 'a waste'

POST REPORTERS

Media academics have voiced strong objections to the National Broadcasting and Telecommunication Commission (NBTC) spending 1.6 billion baht on the rights to broadcast live World Cup 2022 matches free of charge.

The NBTC is expected to decide on the proposal today to set aside the budget from its research and development fund to buy broadcasting rights for the month-long tournament in Qatar that kicks off on Nov 20 and runs until Dec 18.

In a six-point joint statement released yesterday, academics from Chulalongkorn University's faculty

of communication arts and Thammasat University's faculty of journalism and mass communications objected to the spending on the basis it is contrary to the fund's proposed aim.

According to media reports, Sarana Boonbaichaiyapruk, chairman of the board, proposed drawing the 1.6 billion baht from the NBTC's research and development fund to buy the broadcasting rights during an NBTC board meeting on Oct 28.

The fund was set up to ensure access to broadcasts and telecommunications for the general public and promote safe and creative media content. This allows the NBTC to draw money from two accounts to fund the purchase of the rights.



FIFA WORLD CUP Qatar 2022

The first is the main account and the other is the Universal Service Obligation (USO) account aimed to provide the public, especially the underprivileged, equal access to broadcasts of significance or national interest.

These recently included the 240 million baht Sports Authority of Thailand's (SAT) purchase of the rights to the 2020 Summer Olympics in Japan, the 2020 Winter Youth Olympics in Switzerland, the 2022 Winter Olympics in China, the Youth Olympics in Senegal, and the 2022 Asian Games in China.

According to the academics, the funding for these events was an appropriate use of the fund, particularly as Thailand had athletes participating in them.

However, the upcoming World Cup tournament caters only to football enthusiasts while the Thai national team failed to qualify. As a result, the spending does not meet the required criteria.

Citing the figures quoted in the minutes of a meeting on April 28 this year, the first account's balance stood at 3.43 billion baht while the other had 504.27 million baht. A report by Isra News Agency on Nov 3, quoting an NBTC source, said the fund stood at around 2 billion baht.

According to the academics, given the fund's financial status the earmarked 1.6 billion baht should be spent on improving access to broadcasts for the underprivileged and supporting production of quality content.

Somkiat Tangkitvanich, president of the Thailand Development Research Institute (TDRI), used his Facebook to echo their objection to the spending.

He added that no other operators could even consider bidding for the tournament due to the "Must Have" and "Must Carry" regulations, which he had previously criticised.

These are rules that mandate seven major events must be free-to-air in Thailand.

He also urged the NBTC to review these two rules otherwise the country would face a similar situation every four years.

"If the NBTC risks violating the law [agreeing to pay for the rights], I think the fund should be renamed after Gen Prawit," he wrote, taking a jab at Deputy Prime Minister Prawit Wongsuwan, chairman of the SAT board.

The SAT reportedly made the request for the NBTC to buy the rights.

Established 1946

Bangkok Post

THE NEWSPAPER YOU CAN TRUST

NBTC must play to win

Members of the National Broadcasting and Telecommunication Commission (NBTC) will meet today to decide whether to foot the 1.6-billion-baht bill to broadcast the 2022 Fifa World Cup, as demanded by the government.

Amid the rise in public and household debt, and with much hardship in society, we can only hope that good sense prevails.

The issue has become the latest hot potato for the embattled NBTC members. Last week, it was lambasted for not doing enough to prevent the merger of two major telecom operators despite consumers complaining the deal will lead to a trade monopoly and possibly higher rates.

To resolve the latest bone of contention, the NBTC may have to fork out money from the Broadcasting and Telecommunications Research and Development Fund for Public Interest (BTRDF) to fund all 64 football matches from Nov 20 to Dec 18.

Money from the BTRDF, derived from the fees collected from commercial telecom and media TV and radio businesses, has been used to finance educational and non-profit media projects such as youth programmes and media content for underprivileged groups, for example, the fees for sign language transla-

tions or captions for audiences with hearing problems. There is no clause for it to fund the broadcasting of sports. Moreover, there is only 2 billion baht left in the fund for this year.

In the past, private companies would bid for licences from Fifa and profit from advertisement sales and paid subscriptions.

However, a few years ago the NBTC prescribed the so-called "Must Have" and "Must Carry" regulations to deal with conflicts relating to broadcasting licences for sporting events.

The rules demand that seven sporting events, including the Asean Games, the Olympics and Paralympics, and especially the Fifa World Cup finals, must be broadcast on TV so the whole public can watch them for free. It is worth noting that in 2014 the NBTC paid over 400 million baht to obtain a local licence for that year's Fifa World Cup.

In lieu of a private sector bid for this year's event, the NBTC was dealt a quasi-order from the government to cover the cost of the broadcasting licence, which during the last-minute bidding skyrocketed to 1.6 billion baht.

Last week, Deputy Prime Minister Gen Prawit Wongsuwan reportedly ordered the Sports Authority of Thailand (SAT) to get the money from the NBTC. He vowed that Thai football fans would be able to watch all the matches live as the government would buy the broadcasting rights.

Instead of lavishing a small fortune to indulge in a month of football mania, however, the NBTC should have the stomach to reject the government's irrational demand. If the government is adamant to have the public watch the World Cup, it must come up with the money or seek a special budget in parliament.

It's also about time for the NBTC to rewrite its "Must Have" policy, to avoid any problems and let private companies and the market get the job done without exploiting consumers.

The Fifa World Cup has always been a spectacular event, one that unites billions around the world as nations battle it out for glory on the field. Nonetheless, forking out 1.6 billion baht of public money for a month of football is quite a gambit. Hopefully, the NBTC doesn't end up scoring an own goal.



It's funding abuse

Re: "NBTC to decide on World Cup funding", (BP, Nov 8).

An attempt to earmark 1.6 billion baht from the National Broadcasting and Telecommunication Commission's (NBTC) research and development fund to finance the right to broadcast Fifa World Cup tournaments will be on the table today for the commissioners' decision.

I may have to change my name to "Srisuwan" in order to sue the NBTC and the commissioners who vote to earmark the fund for abuses of power.

JAMES DEBENTURES

Wonky justice?

Re: "Drunk doctor avoids jail time for fatal road crash", (BP, Nov 8).

Recently the director of a school was sentenced to 385 years of jail time for dishing up shoddy meals to his infant students. While his actions were repugnant, he did not kill or harm anyone.

But a police doctor, Panurak Rattana-paisorn, drunkenly drives his Porsche into another vehicle, killing two people and injuring another and gets away with a suspended jail sentence.

It is little wonder that most people view the Thai justice system with a very jaundiced eye.

DAVID BROWN

Destructive booze

Re: "Still a gateway drug", (PostBag, Nov 8).

Jason A Jellison may well be correct, as he alleges that some think cannabis harmless. It is not. Like every other drug that humans have enjoyed over the millennia, cannabis can and does cause problems for at least some who use it. So do sugar and beef.

In contrast, Mr Jellison's report that "the common and very broad allegation that alcohol is allegedly the most destructive substance commonly available" is a perfectly true allegation regarding harms inflicted on society. But harm to the self is not what matters most. If idiots want to pig out on steak and stuff themselves with sugar, that is their right, harmful though it certainly is. It is when they start feeding such harmful substances to children or others unable to make an adult decision for themselves

that the state may legitimately interfere.

And this harm to others and society is where alcohol is far and away the most destructive drug of addiction in popular use, as both of the sources cited above also conclude. Nor is it merely that alcohol is so socially harmful because of its prevalence, which in Thailand might even be higher than the prevalence of *ya ba*; rather, for equal numbers of users, alcohol is more harmful to society than any other drug in use. Alcohol is worse for society than heroin, cocaine, and meth and vastly more harmful than cannabis.

FELIX QUI

Smart move!

Re: "Puzzling question", (PostBag, Nov 8) and "A modest proposal", (PostBag, Nov 8).

You'll never please everyone, but the comic page cleanup was long overdue.

You disposed of the less popular strips and kept the good ones.

My friends and I all agree that the comics you kept are the ones we read and enjoy. And now there's room on the page for the games. Smart move *Bangkok Post* for the much-needed change. You'll never please everyone, but now there's a page that most morning readers can enjoy.

GARY HACKER

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All letter writers must provide a full name and address. All published correspondence is subject to editing at our discretion

**InQuote**

*This NBTC
public interest
fund should
be renamed
the Prawit
interest fund.*

SOMKIAT TANGKITVANICH, A TDRI RESEARCHER, ON GEN PRAWIT WONGSUWON'S PLAN TO GET 1.6 BILLION BAHT FROM THE NATIONAL BROADCASTING AND TELECOMMUNICATION COMMISSION'S (NBTC) SPECIAL FUND RESERVED FOR FUNDING PUBLIC MEDIA PROJECTS, TO FINANCE THE BROADCASTING OF THE 2022 FIFA WORLD CUP.


TELECOMMUNICATIONS

MAJOR SHAREHOLDERS OF THAIKOM

Name	Number of shares (Million)	Percentage
1 InTouch Holdings	450	41.1
2 Chavalit Visaliamkul	37	3.46
3 Thai NVDR	27	2.53
4 Narit Jia-Apar	18	1.73
5 Kulisara Kara	18	1.7
6 Southeast Asia UK (Type C) Nominees	17	1.56
7 Watshira Tayanaraporn	14	1.28
8 Value Plus - Dividend Long Term Equity Fund	9	0.86
9 Social Security Office by UOB Asset Management (Thailand)	8	0.82
10 Kitti Ngammaharat	7	0.66

Source: SET (As of Feb 18, 2022)

THAIKOM OPERATING RESULTS (Million baht)



	2019	2020	2021	H1/2022
Total income	4,799	4,227	3,745	1,647
Net profit (loss)	-2,249	513	143	359
Total assets	16,999	16,676	15,339	14,908
Total liabilities	6,004	5,429	4,210	4,037

Source: Thaicom

BANGKOK POST GRAPHICS

Gulf's B10.8bn Thaicom buyout raises eyebrows

Gulf in B10.8bn Thaicom buyout

KOMSAN TORTERMVASANA

Gulf Energy Development Plc, Thailand's biggest private power producer by market value, is pushing for the acquisition of satellite service provider Thaicom Plc for 10.8 billion baht as it explores new business opportunities in the space economy.

The move, however, has fuelled scepticism among industry analysts and observers as Gulf had never expressed interest in investing in the satellite business, and its strategic plan for the move remains unclear.

The planned acquisition was communicated to the Stock Exchange of Thailand on Monday night.

Gulf, led by energy tycoon Sarath Ratanavadi, will buy a 41.1% stake in Thaicom from its biggest shareholder, InTouch Holdings Plc, for 4.4 billion baht.

The purchase involves 450 million shares at a price of 9.92 baht per share.

Gulf, which owns 46% of InTouch, has also set some conditions for the share purchase, including approval from InTouch shareholders and required counterparties of Thaicom.

InTouch will hold a shareholder meeting to consider the sale of Thaicom shares to Gulf on Jan 9, 2023.

Gulf said all the conditions are

expected to be completed within the first quarter of next year.

Afterwards, the energy giant will propose a tender offer to acquire the remaining shares of Thaicom, amounting to 645 million shares, from other shareholders for 6.4 billion baht. They will also be purchased at 9.92 baht per share.

The purchase of Thaicom's shares will be made by either Gulf or its subsidiary Gulf Ventures Co, or both.

According to Gulf's exchange filing, the investment in Thaicom is aligned with Gulf's strategic direction, and regarded as a growth driver for the development into related business domestically and internationally.

This will also provide the firm with "an opportunity to explore future growth businesses in the new space economy".

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UNCLEAR DIRECTION

Pisut Ngamvijitvong, senior equity research analyst at Kasikorn Securities (KS), said the purchase of Thaicom stock for 9.92 baht per share is 19.3% below the market price of 12.3 baht, although it is still 7.6% higher than KS's previous target price of 9.22 baht.

The move still has an unclear strategic direction of pushing Thaicom from a regional satellite operator to a key player in the new space ecosystem, he said.

There is no clarity about the listing status of Thaicom following the tender offer, Mr Pisut said.

On the positive side, Gulf and its deep pockets could become the right sponsor for Thaicom, driving it to have a broader ecosystem in the new space economy.

However, without a clear strategy regarding new space business, Gulf may find it too risky to pay more than the tender offer price.

"This deal may lead to a share price correction, at least in the near term," said Mr Pisut.

ORBITAL SLOT AUCTION

The planned acquisition of Thaicom comes as the National Broadcasting and Telecommunications Commission (NBTC) plans to organise a satellite orbital slot auction, expected to take place in January next year.

Thaicom will certainly participate in the auction, Mr Pisut said.

A telecom veteran who requested anonymity said Thaicom has made no major investments over the past few years, so it now has sufficient cashflow and is able to pay a dividend of 6 baht per share.

The planned acquisition was spelled out shortly before the auction is due to be held.

Last year the NBTC decided to scrap an auction slated for Aug 28, 2021, as Thaicom, through its wholly owned company TC Space Connect, was the only bidder.

Also in August 2021, Gulf completed its 25-day tender offer for a stake in InTouch, becoming the largest shareholder in the tech and telecom-oriented holding firm.

Before the tender offer, InTouch's major shareholdings were controlled by foreign entities.

Now Gulf holds a 46.7% stake in InTouch and 20% indirectly in Thaicom.

BUSINESS AND POLITICS

An industry source who requested anonymity said the planned acquisition of Thaicom by Gulf may be driven by business and political reasons.

Thaicom's satellite operating concession expired in September last year, which saw the Thaicom 4 and 6 satellites handed over to the Ministry of Digital Economy and Society (DES).



The move still has an unclear strategic direction of pushing Thaicom from a regional satellite operator to a key player in the new space ecosystem.

PISUT NGAMVIJITVONG
Senior equity research analyst,
Kasikorn Securities

NT was then assigned by the DES Ministry to manage and control the Thaicom 4 and 6 satellites. Thaicom's subsidiary has purchased some of the two satellites' bandwidth capacity from NT to provide services to customers.

Before Gulf pursued the tender offer of a stake in InTouch last year, DES Minister Chalwut Thanakhamanusorn revealed the ministry would hold talks with InTouch and Thaicom about the proportion of the latter's shareholdings held by foreign entities.

When the satellite concession contract was awarded by the government in 1991, Shin Corporation, the former name of InTouch, agreed to set up a new firm to run the service, with Shin holding a stake of at least 51%. The new company was named Shinawatra Satellite, which later changed its name to Thaicom.

In 2003, under the government of former prime minister Thaksin Shinawatra, Thaicom asked the Information and Communication Technology Ministry — the former name of the DES Ministry — to adjust the concession by letting InTouch reduce its stake in Thaicom to 40%, from at least 51%, as it wanted more partners. This proposal was later approved.

While the National Anti-Corruption Commission later ruled against the approval, InTouch's stake in Thaicom never returned to the 51% as stipulated in the contract.

Previously, Mr Chalwut said that as InTouch's share proportion in Thaicom should be at least 51%, and with Singapore's Singtel holding a 21% stake in InTouch, efforts must be made to ensure the proportion of foreign entities' shareholdings in Thaicom was not more than Thai entities.

The buyout of Thaicom by a Thai entity meets the government's wishes as it is concerned about national security through digital networks and satellite businesses, the industry source added.