Evolution of the Telecommunication Regulator in Thailand: NBTC Roles & Challenges

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Roles of Regulator

Challenges for regulators

Better Consumer Protection

Encourage new entrants

Managing network access and interconnection

Managing Spectrum effectively

Regulating for effective competition

Universal access and service

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Background at a glance: Thailand context

**Thailand is a developing country and technology taker**
- Technology becomes more complex but law & regulation cannot catch up with

**NBTC is newly established as the independent regulator**
- ICT Ministry is national administrator for ITU satellite filings
- State Enterprises, CAT & TOT, are under ICT Ministry

**NBTC has full authority to allocate spectrum but law mandates “auction” only**
- Public has misperception on “spectrum auction”

**Spectrums available but cannot be allocated to catch the demand**
- Some rural areas still cannot reach basic telecom services
Challenges of NBTC

- To understand **dynamic of convergence** from consumer perspective

- To **balance consumer’s demand** for unlimited access and content against provider’s ability to use bandwidth available efficiently

- But if regulation is overly strict, ("**Hard Law**") it means barrier to innovation of new services

- In **digital era**, activities are likely to fall outside of a national regulatory framework
Current Telecommunication Eco System

- **Industry**
- **State**
- **Consumers**

**Resources**

**Spectrum:**
- Efficient use of national scarce resource *assigned by auction*

**Network:**
- Infrastructure sharing enables open access
Organization: Converged but some burdens

Problems:
- Truly “converged” regulator?
- Each committee performs its own duties within the scope of authorities.
- Substantive laws are not converged.
- 700 MHz still under Broadcasting Committee

Solution:
- Good initiation but needs more mutual collaborative framework that better fits the model of single converged regulator.
Does existing licensing regime facilitate converged services enough?

**Problems**

Thailand’s licensing system **has not yet combined converged services** to fall within one license.

Both sectors are regulated in a **different manner** under different applicable law.

- Operating telecoms business is subject to the Telecoms Business Act 2001
- Operating broadcasting business is subject to the Broadcasting Business Act 2008

**Solutions**

- Modifying licensing regime from a traditional one service to **broader categories**.

- Need a simplified, technology-neutral, flexible licensing to encourage market entry and **promote competition**.

- If regulation is overly strict, it means **barrier to innovation** of new services.
Problems on institution concerned with different authorities

- Satellite
- Sat. Orbit
- ITU
- WTO
- Concessions
- ICT Master Plan
- License
- Spectrum Licensing
- Telecom Law
- Competition In Market
- USO
- Telecom Law
- Spectrum Licensing
- Domestic level & Regulation Policy
- Int. level & Government Policy

Multilateral institutions in area of standardization

Fragmentation in implementing
Industry

Problems
- Monopoly Under Concessions
- I need spectrum
- More BTS sites for Coverage
- Bad Images from Consumer’s view

Solutions
- Licensing System
- Effective measure to allocate spectrum
- Infra Sharing
- CSR

Facilitate and Regulate as NECESSARY
Consumers

- Consumers are abused by incorrect perception.
- Competition served as a “tool” to achieve the ultimate goal.
- But if competition is abused, the consumers' welfare will be affected.

Consumer protection = primary objective
Incorrect Perception

- Spectrum auction is only way to allocate spectrum.
- Spectrum auction is the best way to get rid of monopoly and corruption.
- State will make lots of money from auction.
- Competition must be measured at the auction stage.
- Spectrum auction has only Open outcry (English) auction.
Consumers (continue-2)

Solutions

- Providing correct perception.
- Strengthening more public participation
- Tackling barriers that deter consumers from using new services and products in converging environment.
- Ensuring that consumers have right to redress fairly and efficiently.
Balance Benefit between the 3 Stakeholders

Amend current law to give regulator more flexibilities

Soft Law  Concessions  Licensing System

Stakeholders

Consumer  State  Industry
International Co-operations Arena

- Supporting same directive to the AEC single market
- Joint co-operations for Standardizations
- Driving to the **single** International Roaming rate
- Exchanging views and bringing **best practices** to improve NBTC performance
### Conclusion & Suggestions

- Revising current law to modernize them and to give regulation more flexibilities;
- Performing roles as both regulator and facilitator;
- Regulating when it is necessary, not whenever we have opportunities;
- Converging regulations of both institution and substantive law;
- Legislating telecom law not to focus on problems in the past but to prepare for the future;
- Balancing rights of all stakeholders to ensure best benefit of innovations to consumers and business;
- Strengthening public participation and educating public knowledge to put correct perception and gain public trust;
- Cooperating more closely among regulators at both regional and international levels to bring best practices to support each other.
Q&A?

Thank you

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