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**SOURCE : National Broadcasting and Telecommunications Commission, Thailand**

**TITLE : Innovative Regulation in a Broadband World**

In a broadband world, increasing broadband penetration is prioritized a development goal by governments in many countries, not only developed but also developing countries. However, network covering and penetration is not the KPI for such a goal, but it is people accessing to broadband service. In some developed countries, despite broadband network has been almost 100 per cent covered, people still do not choose to subscribe to broadband services (Dr. Raul L. Katz, GSR2010). The major reason is that people do not recognize the important or value of broadband access. Price is also another important reason.

As such, not only focusing only on broadband penetration or network coverage, but policy makers and regulators should also focus on "accessing to broadband service" whereas taking into account the following approaches in setting up respective policy and regulation framework ;

### **I. ICT Literacy**

One of the main reasons that people do not subscribe to broadband service is that they do not recognize the benefit or comparative advantage of using broadband. Thus, how to make them prioritize the value of ICT is the key challenge for policy maker and regulator. The way to increase people capability in the ICT literacy may start by launching the below policies :

(a) Regulator and government encourage the role of human resource development in ICT sector to achieve the higher level of ICT literacy of the people, such as providing scholarship to students or R&D projects, especially to the field of ICT knowledge transfer process and content as well as their implementation to climb up the broadband usage rate.

(b) Help support the content and application development by funding or facilitating the developer in the ICT education or ICT benefit content and application those related to the local living style.

(c) Finance public education in relation to broadband internet to make people understand the benefit of internet; with the content that illustrate the direct impact to their living style and benefit.

(d) Turning government agencies to be ICT major users. E-government projects should be implemented as this will be a driver for increasing national competitive advantage.

### **II. Affordable Price**

Affordable price is one of the key success factors to promote broadband usage. Still, the definition of "affordable price" may differ from economy to economy, community to community, or level of income. Therefore, the index to monitor "affordable price" should be considered. In this context, ITU's ICT Price Basket is an appropriate tool for member countries to apply for the particular context of respective countries.

### **III. Funding Mechanism**

Regulator can categorize the type of funding by using level of broadband access opportunity as a factor. For the served zones, since the people can access to broadband service in the competitive market with good quality and optimum price so that the regulator may fund this zone only for the group of people who face the difficulties to access the service, such the disable, the low income people, etc. The regulator may fulfill the social objective approach by providing free or subsidized pricing broadband service to the low income community in this zone and provide the facilities to help the disable people to access the service. The government may allocate budget to enhance broadband access in this zone by funding the projects with which the market mechanism cannot drive them up.

For the commercially profitable underserved zones, the people in this zone can access to the service but not in every community or household since. The demand in some areas does not meet the business objective of the broadband provider. Nevertheless, this type of zone can be improved to be the business objective area if the government or regulator imposes some support regulations or funding. In term of funding, the regulator may endorse some funding to the investment of broadband infrastructure by partly finance the whole project or finance in the initial phase of the project such as Public-Private Partnership because this zone has some basic infrastructure for the broadband expansion and can scale down the volume of the investment comparing to the green field area.

For the Commercially Unprofitable Underserved Zones, this type of zone is not the business viable areas. Moreover, these areas are almost impossible to develop to be served via the market mechanism under the current environment such as the remote area. So these areas are really need full or almost full funding from the regulator and government to be able to access to broadband service. For the regulator, the fund may be made available through the universal obligation service fund (either operate on their own or funding the service provider). To some extent, the definition of the obligation service must include the broadband service to support the funding scheme.

In conclusion, the most important key words to be borne in mind by regulator when implementing the above mechanisms are; (1) fairness and justice and (2) sustantainable.

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