



The New Royal Decree supports deal of True-Dtac regarding telcom spectrum management

Currently, the hottest news in Thai telecommunication industry is the merger negotiations between True and DTAC. In a short and simple summary, the two companies have made an MOU between them on a business merger study. A new company will be established.

This business merger is subject to exemption under Article 4, Clause 4 of the Trade Competition Act B.E. 2560 (A.D. 2017) because it is a business that has a specific law governing on trade competition. The Notification of the Broadcasting Committee Television Business and the National Telecommunications Commission (NBTC) on measures to regulate business merger in the Telecommunications Business under Section 27 (11) of the Act on Organization for Spectrum Allocation and Regulation of Broadcasting Businesses television and Telecommunications B.E. 2553 and its amendments together with Sections 21 and 22 (3) (4) of the Telecommunications Business Act B.E. 2544 empower the NBTC as the regulator to consider this business merger.

Before it became clear on the merger of True and DTAC, the amendment to Section 30, paragraph 1 of the Act on Organization for Assigning Frequency Waves and Regulating the Radio Broadcasting Business Television and Telecommunications (No. 3) B.E. 2562 was announced on 7 November 2021 (“Royal Decree”).

The significant issues of the Royal Decree which might be seen as supporting the spectrum management by the telecom operators are as follows:

1. Providing more flexible criteria for the operators to apply additional business licences, transfer spectrum licences and obtain spectrum licences via other methods apart from auctions.
2. Allowing the spectrum holders to trade off their spectrum ranges making it easier to come up with the partnership deal for spectrum usage.

However, The Office of the NBTC has also drafted four new regulations to support the Royal decree which covers the amendments to the spectrum management, criteria for applying for a business license, criteria for Spectrum License Transfer as well as the rules for allocation of spectrum range apart from auction.

When such regulations come into force, they will become clearer on whether this Royal Decree aims to aid True-Dtac deal or not.