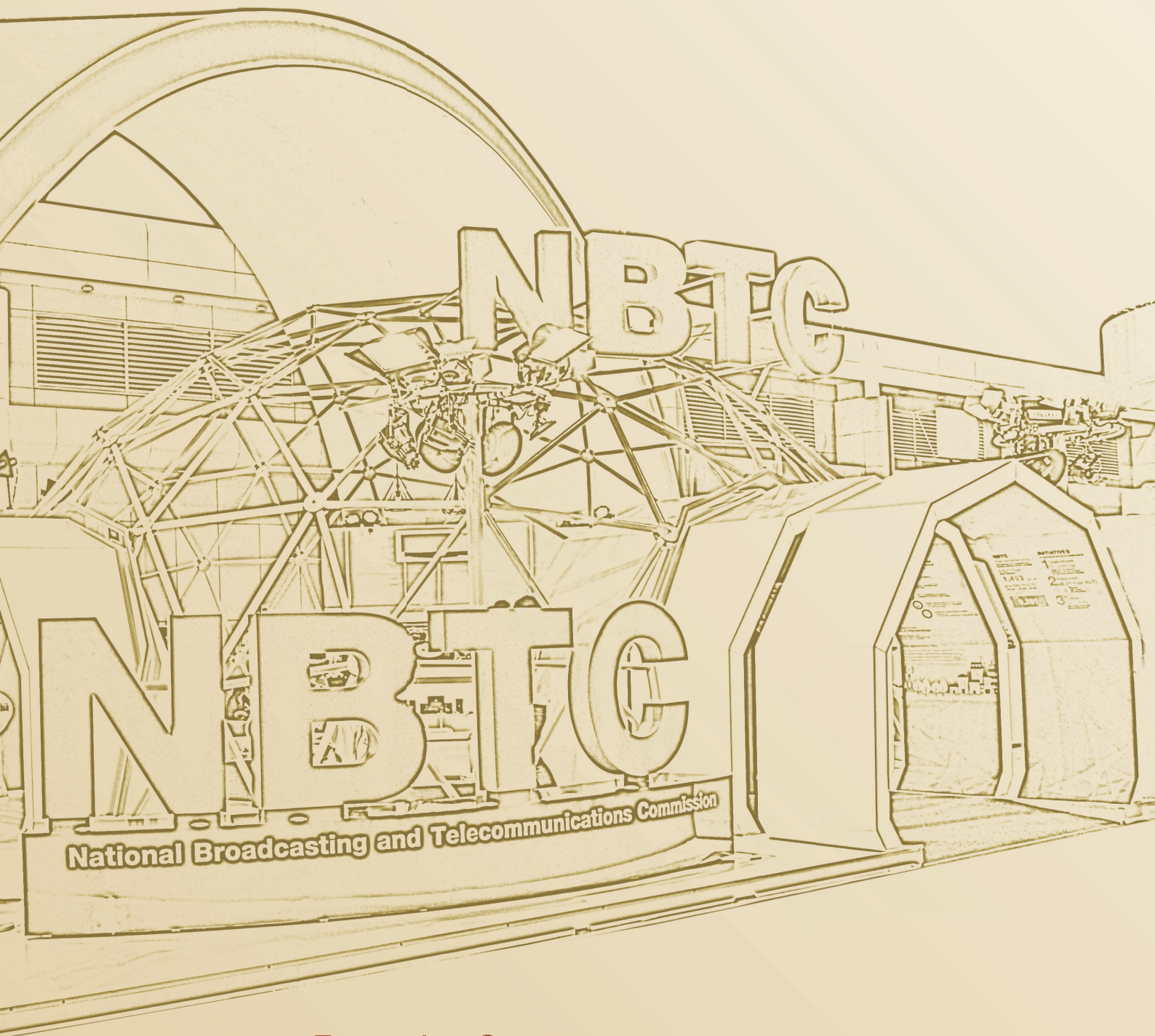




National Broadcasting and Telecommunications Commission (NBTC)



Executive Summary

NBTC ANNUAL REPORT 2016



Long Live The King





*In Loving Remembrance of His Majesty
King Bhumibol Adulyadej*

The National Broadcasting and Telecommunications Commission,
the Executives and Staff of the Office of the National Broadcasting and Telecommunications Commission



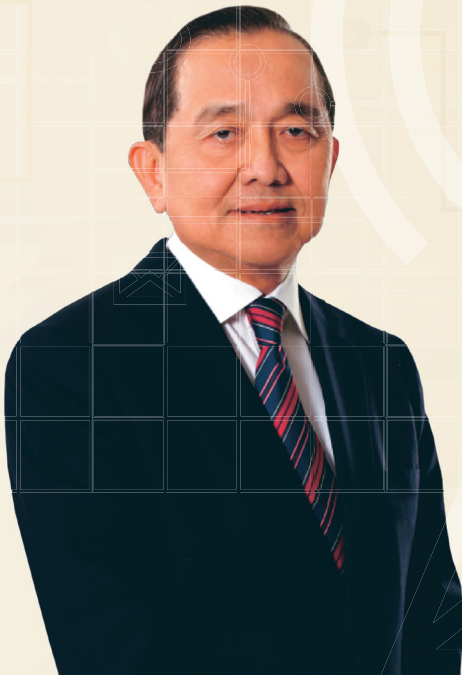
Preface

The Act on Organization to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E. 2553 (2010), Article 76 has stipulated that the National Broadcasting and Telecommunications Commission (NBTC) must prepare an annual report, elaborating its performance in management of radio frequency, and broadcasting and telecommunications services business operations, work plans and results, as the case may be, and future work plans, to be submitted to the Cabinet and the Parliament within one hundred and twenty days starting from the ending date of each calendar year, and the report shall be disclosed to the general public for acknowledgement.

The NBTC has thus prepared the NBTC Annual Report 2016 which will be submitted to the Cabinet, the House of Representatives and the Senate, and disclosed to the general public for acknowledgement as well. This report describes power and duties of the NBTC, the Broadcasting Commission (BC), the Telecommunications Commission (TC) and the Office of the National Broadcasting and Telecommunications Commission or the Office of the NBTC, key activities and performance of NBTC throughout the year which are all important for the public and citizen, major performance of the NBTC, BC, TC and the Office of the NBTC, report on market environment and competition in broadcasting, television and telecommunications businesses, trend on broadcasting, television and telecommunications industries in 2017, the budget management in 2016, work plan and budget plan in 2017, as well as problems and obstacles arising from the broadcasting, television and telecommunications business operation in the previous year, details are shown in this report.

The NBTC believes that this NBTC Annual Report will provide useful information for the follow-up and investigation of the NBTC performance on spectrum management and the regulation on broadcasting and telecommunications business in the past year, and fulfill the purposes of the laws, as well as be beneficial to related parties and the general public.

The National Broadcasting and Telecommunications Commission
February 2017



Message from the Chairman of the NBTC

The year 2016 is the most tragic time for all Thai citizens following the passing of His Majesty King Bhumibol Adulyadej on 13 October 2016. The National Broadcasting and Telecommunications Commission (NBTC), the Executives, Staff and Employees of the Office of the NBTC commemorate the royal benevolence of His Majesty the King.

The NBTC has fulfilled its mandate in 2016 with full capacity for the prosperity of national broadcasting and telecommunications businesses under the good governance in regulation. The significant achievements are as follows:

In the organization management and development, the Office of the NBTC has signed a memorandum of cooperation with the Office of the National Anti-Corruption Commission with the view to becoming a transparent organization, driving the organizational transparency in all process of implementation in order to support the government and the NCPO's policy on the anticorruption.

For the spectrum management, the NBTC has re-organized spectrum auction in the frequency band of 900 MHz according to the Order of the NCPO, and hosted the ITU Telecom World 2016, in cooperation with the Ministry of Digital Economy and Society as having been assigned by the Government, which were both very successful.



In broadcasting, the NBTC resolved problems on the digital terrestrial television business operation, regulated the installation of radiocommunications stations and networks for the digital TV switch over to be covered across the country according to the plan for network expansion and area coverage as defined, enforced the NBTC Notification on Criteria for Prioritizing the Television Services in order to support the public to watch digital TV across all platforms, and published information concerning the transition to digital terrestrial television viewing.

In telecommunications service, the NBTC has organized the auction for pretty mobile numbers, set up the organization of the installation of communication lines underground for supporting Thailand to become the Capital of ASEAN, and protected consumers from being exploited by service providers as well.

For the action plan for the year 2017, the NBTC will focus on developing and regulating the national broadcasting and telecommunications businesses in order to move the country towards the digital community which will lead Thailand 4.0 into reality. These will be done by accelerating the implementation of the project on universal basic telecommunications services (USO) to support the driving of digital economy and managing spectrum which is a national communication resource, efficiently, leading to the stability, prosperity and sustainability of the country. The NBTC will perform their duties by applying and adhering to the royal consort of King Bhumibol Adulyadej and the science of king.

On behalf of the NBTC, I would like to express my sincere thanks to those who provided their support and cooperation to the NBTC, as well as the Executives, the staff and employees of the Office of the NBTC who dedicated their effort to support the work of the NBTC throughout the year. Please be assured that I will lead the organization in good faith and in a transparent manner in order to regulate the broadcasting and telecommunications businesses of the country for the utmost benefits and sustainable development.

Air Chief Marshal

(Thares Punsri)

Chairman of the National Broadcasting
and Telecommunications Commission



Message

from the Vice-Chairman of the NBTC and Chairman of the Broadcasting Commission (BC)

The operation of the BC in 2016 has been continued to the year 2015 by focusing on the licensing to use spectrum and broadcasting business operation, the transition to digital radio and television signal transmission, the regulation of broadcasting services, and consumer protection in broadcasting services. The progress of key operation is as follows:

1. Issuance of license to use spectrum and broadcasting and television business operation

In 2016, the BC has continuously considered the licensing to operate radio broadcasting or television services for non-frequency used services, and the licensing to operate radio broadcasting service (trial operation). In terms of the use of spectrum, the NBTC Notifications concerning radio frequency plan and technical standard for radio broadcasting service in FM System have been drafted with the objectives to facilitate the use of spectrum for the existing radio broadcasting in FM system and response to the consumers' needs thoroughly and effectively, in both dimensions of area coverage and spectrum use without interference.

2. The transition to digital radio and television signal transmission

To facilitate and enable the public to receive broadcasting services thoroughly, the BC has continued driving its operation on digital terrestrial broadcasting network expansion to cover all area across the country. During the years 2014 - 2016, the expansion of network installation had covered 39 main (high power) stations and 45 low power stations, which can cover 90% of households nationwide. In addition, the BC has provided its support to the public in the transition to digital terrestrial television viewing by mean of coupons distribution, which has been done continuously since the year 2014.

Moreover, the BC has issued several important measures to promote and support the business operation of digital terrestrial television operators, including the reduction of annual fees that must be remitted to the Broadcasting and Telecommunication Research and Development Fund for the Public Interest in case that the licensee has facilitated the people to access the general television services according to the NBTC Notification regarding criteria for broadcasting of general television services, and the adjustment of the rate of annual business license fees to a "progressive rate", which is classified to 5 progressive levels so that the operators have sufficient working capital for their investment and operation in the television industry.



3. The regulation of broadcasting services

In 2016, the BC has carried out activities concerning the prevention of aeronautical radio frequency interference by setting up 3 NBTC Notifications concerning the prevention of aeronautical radio frequency interference caused by radio broadcasting stations, consisting of the NBTC Notification on Criteria for the Prevention of Aeronautical Radio Frequency Interference caused by the Radio Broadcasting Stations that have been assigned the frequency, the NBTC Notification on Criteria for the Measurement of Conducted Spurious Emission of Radio Broadcasting Station (Trial Operation), and the NBTC Notification on Criteria for the Measurement of Conducted Spurious Emission of Radio Broadcasting Station (Trial Operation) (No.2). The objectives of these notifications are to enforce all radio broadcasting stations in FM system on carrying out the prevention of the conducted spurious emission of radio broadcasting station including setting up location monitoring system, area of interference types, and evaluation result on the report of the conducted spurious emission of radio broadcasting stations that have been assigned the frequency.

Also, during the 31st Olympic Games which was held in Rio de Janeiro, Brazil, the BC had overseen the live broadcast of the Olympic Games to ensure that all people were able to universal access and watch the live sports broadcasting equally, according to the NBTC Notification on criteria for the important television programs to be broadcasted only in the public television services B.E. 2555 (2012) (Must-Have rule)

4. Consumer Protection in Broadcasting Services

In the year 2016, the BC has still concentrated on the consumer protection and continued resolving complaints of consumers either the complaints on broadcasting programs and programs content or the acts that are considered to exploit consumers in broadcasting and television services. The operation of the BC has also included monitoring the broadcast of programs or advertising that may be considered as the act that exploits consumers, providing cooperation with organizations concerned for legal action. In addition, the BC has supported the expansion of people's opportunities to access and receive information in the broadcasting and television services to other communities throughout the country.

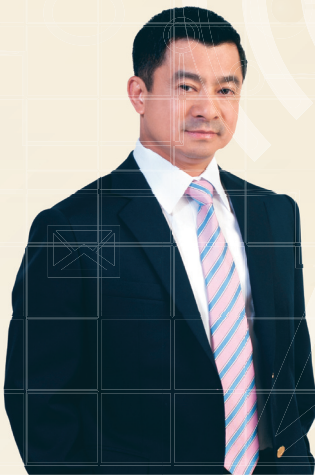
The BC has also taken a constant operation on the transition to digital television signal transmission in terms of regulation, providing support the people in the digital switch over, issuing measures to promote the digital terrestrial television operators in each area which will be beneficial to industries and the public in overall. The BC also committed itself to regulate the broadcasting and television businesses to be in accordance with the laws and regulations as prescribed, and protect consumers for the stable and sustainable development of Thai radio and television businesses.

On behalf of the BC, I would like to thank all the Executives, the staff and employees of the Office of the NBTC for their great contribution and support. My thanks also extend to all parties concerned for their cooperation and support to the work of the BC so that the people are able to receive and utilize information equally and universally, as well as free and fair competition are created which will help develop the Thai society and economy to be on par with foreign countries.

Colonel

(Natee Sukonrat)

Vice-Chairman of NBTC Commission
Chairman of Broadcasting Commission



Message

from the Vice-Chairman of the NBTC and Chairman of the Telecommunications Commission (TC)

In the previous year, the Telecommunications Commission (TC) had carried out activities by focusing on the telecommunications business regulation in order to protect consumers and public benefits as well as taking parts in driving the national economy towards prosperity with innovation, information technology, and communication. The success of major performance is such as the spectrum auction in the frequency band of 900 MHz for the provision of 4G services, the regulation of quality of services and mobile service rates so that the consumers are able to use the services with good quality at a cheaper price, the auction of mobile pretty numbers which gained the revenues of 57,968,888 baht, and after deduction the revenues will be delivered as the state revenues, building security and trust to the public for using mobile payment services which the TC has cooperated with the Bank of Thailand (BOT) to study the guidelines for regulating mobile payment services. The TC also had its Order to suspend the import of mobile phones of Samsung Galaxy Note7 and LAVA Iris 600, Iris 700 and Iris 708 to sell in Thailand for consumers' safety and commercial aircraft users. In addition, the TC has cooperated with authorities concerned regarding the installation of communications lines underground in order to support Bangkok to become the Capital of ASEAN. This includes resolving consumers' problems, such as resolving users' complaints regarding excessive billing or bill shock, Pokemon game problems, etc.



For the coming year of 2017, the TC will accelerate its operation for developing and regulating telecommunications business to be more successful than the past years. The main activities are as follows:

- The formulation of Master Plan on Telecommunications Services No.2 (2017 - 2021) to be used as guidelines for the development and regulation of telecommunications business operation in the next 5 years.
- The regulation of telecommunication operators to provide good quality of services in cheaper price
- The protection of consumers by resolving complaints and unfair treatment problems
- The acceleration of the implementation of the universal service obligation (USO) project in order to support the government's policy on country development
- Having the communication lines organized
- The organization of mobile pretty numbers for additional groups of pretty numbers

The increase of capacity of telecommunications system to support the use of mobile phone of the people who come to pay their respects to the body of the late King Bhumibol Adulyadej as well as the management of telecommunications lines and telecommunications systems in the area of the Royal Plaza to be more efficient.

On behalf of the TC, I wish to thank all parties for their great support and contribution to the work of the TC. I can assure you of the intention and dedication of the TC, the Executives and the staff of the Office of the NBTC to the successful and sustainable development and regulation of the national telecommunications business

Colonel

(Settapong Malisuwan)

Vice-Chairman of NBTC Commission
Chairman of Telecommunications Commission



NBTC

The National Broadcasting and Telecommunications Commission (NBTC)



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Air Chief Marshal Thares Punsri
Chairman of the NBTC

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Colonel Natee Sukonrat, Ph.D.
Vice-Chairman of NBTC, and Chairman of Broadcasting Commission

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Colonel Settapong Malisuwan, Ph.D.
Vice-Chairman of NBTC, and Chairman of Telecommunications Commission

4

Lieutenant General Perapong Manakit, Ph.D.
NBTC Commissioner

5

Police Colonel Taweesak Ngamsanga,
NBTC Commissioner



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Associate Professor Prasert Silphiphat
NBTC Commissioner

7

Assistant Professor Thawatchai Jittrapanun, Ph.D.
NBTC Commissioner

8

Miss Supinya Klangnarong
NBTC Commissioner

9

Mr. Prawit Leesatapornwongsa
NBTC Commissioner

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General Sukit Khamasunthorn
NBTC Commissioner



Vision

“The Office of the NBTC is a leading enterprise in the ASEAN of regulating and developing communications business for national sustainable development”

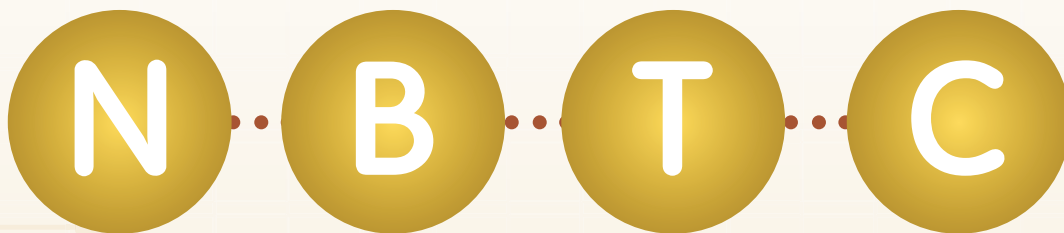
Mission

“The Office of the NBTC shall support the NBTC in spectrum management, licensing and regulating the broadcasting and telecommunications business operation efficiently and transparent and be recognized in the ASEAN level”

Core Value

To achieve the above vision effectively, the Office of the NBTC has created its corporate culture which is conducive to the operation of the Office by setting up the core values that hold those involved in the operation of the Office of the NBTC to be used as guidelines for jointly working constructively for the successful outcome of the organization.

The Office of the NBTC has also promoted the corporate culture on “fast, accurate, teamwork, and having good governance” for the achievement the vision of the Office of the NBTC.



**Navigating to
International**

**Building
Innovation**

**Teamwork &
Transparency**

**Consistent
Professionalism**



Strategic Issues of the Office of the NBTC

The Office of the NBTC has set up 4 strategic issues as follows:

Strategy 1

To Strengthen Administration in Line with Good Corporate Governance

Strategy 2

To Manage Spectrum Allocation Efficiently, Consumer Protection, Create Equality in Communication infrastructure Access and Digital Opportunity

Strategy 3

To Develop Competition, Fairness and Efficiency in Communication Resource Management toward Thailand's Digital Community

Strategy 4

To Support and Promote Innovation and Networking

Goals

1. The Office of the NBTC is the high performance organization (HPO), with good corporate governance, who achieved successful operation.
2. Clients of the Office of the NBTC are satisfied with the services provided by the Office of the NBTC
3. Operational processes are efficient at the international level
4. Management factors are available
5. Communications services generate utmost social benefit and equality for the people and the public
6. Clients are satisfied with consumer's basic rights protection provided by the Office of the NBTC
7. National benefits in digital economy
8. Users of communications services have increased
9. Society and networks have confidence in the operation of the Office of the NBTC
10. Service users have provided their cooperation to support the operation of the NBTC



The High-Level Executives of the Office of the NBTC



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Mr.Takorn Tantasith
Secretary-General of the NBTC

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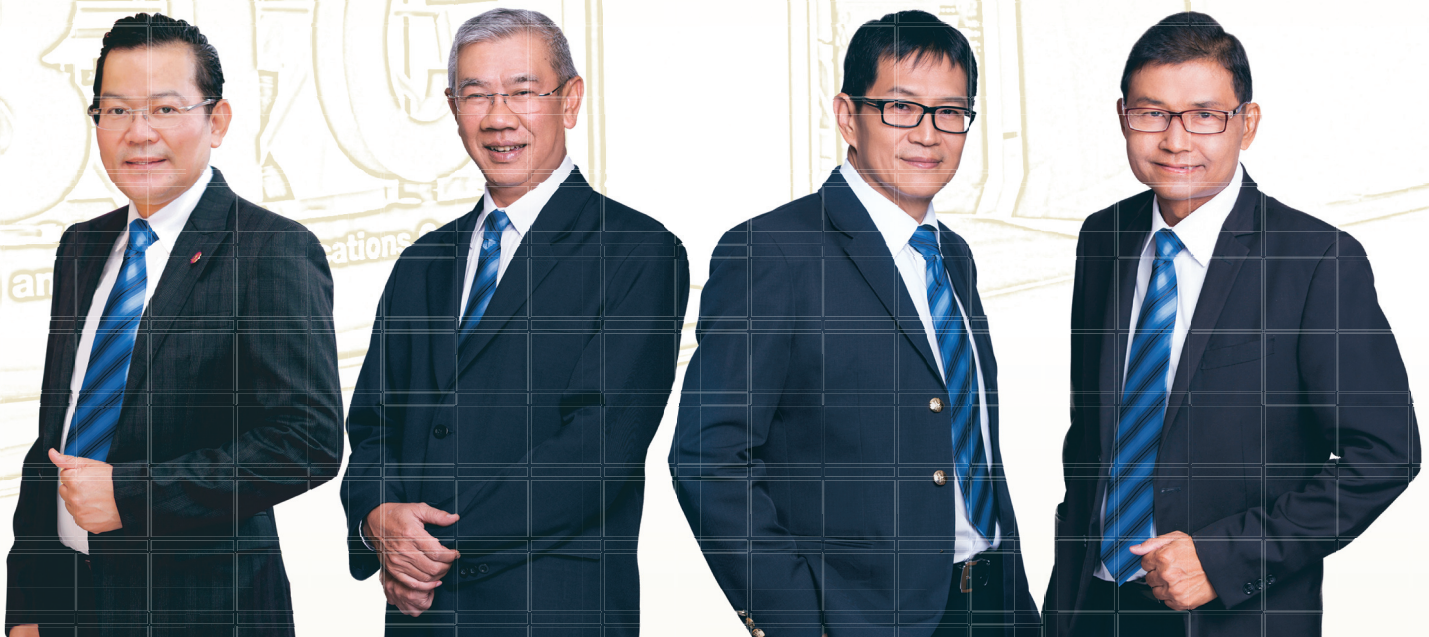
Mr.Trirath Viriyasirikul
Deputy Secretary-General Strategic and Internal Affairs

3

Air Vice Marshal Thanaphant Raicharoen
Deputy Secretary-General Spectrum Management and Regional Affairs

4

Mr.Korkij Danchaivichit
Deputy Secretary-General Telecommunications Affairs



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Asst. Prof. Pakdee Manaves
Deputy Secretary-General Broadcasting Affairs

6

Mr. Pitjapol Jantanasaro
Principal Expert

7

Mr. Pakpien Soontornsud
Principal Expert

8

Mr. Ongard Ruangroongsom
Principal Expert



BC

Broadcasting Affairs

Broadcasting
Corporate
Affairs Bureau

Broadcasting Policy
and Research Bureau

Broadcasting Tariffs
Bureau

Broadcasting
Technology and
Engineering Bureau

Broadcasting
Engineering Standard
Approval Bureau

Digital Broadcasting
Bureau

Broadcasting
Consumer Protection
Bureau

Secretariat Office
of Broadcasting
Commission

Radio Business
Licensing Bureau

Television
Broadcasting Business
Licensing Bureau

Network, Facilities and
Equipments for
Broadcasting Business
Licensing Bureau

Legal Broadcasting
Bureau

Broadcasting
Enforcement Bureau

Broadcasting
Competition Promotion
and Self-Regulation
Bureau

Professional Broadcasting
Institution Development
and Universal Service
Bureau

Content Regulation
and Announcer
Development Bureau

Strategic and Internal Affairs

Strategic and Budget
Bureau

Human Resource
Management Bureau

Legal Affairs and
Case Management
Bureau

Supply and Asset
Management Bureau

Finance Bureau

International Affairs
Bureau

NBTC Academy

Organizational Management Affairs

Secretariat Office
of the Chairman and
Proceedings Bureau

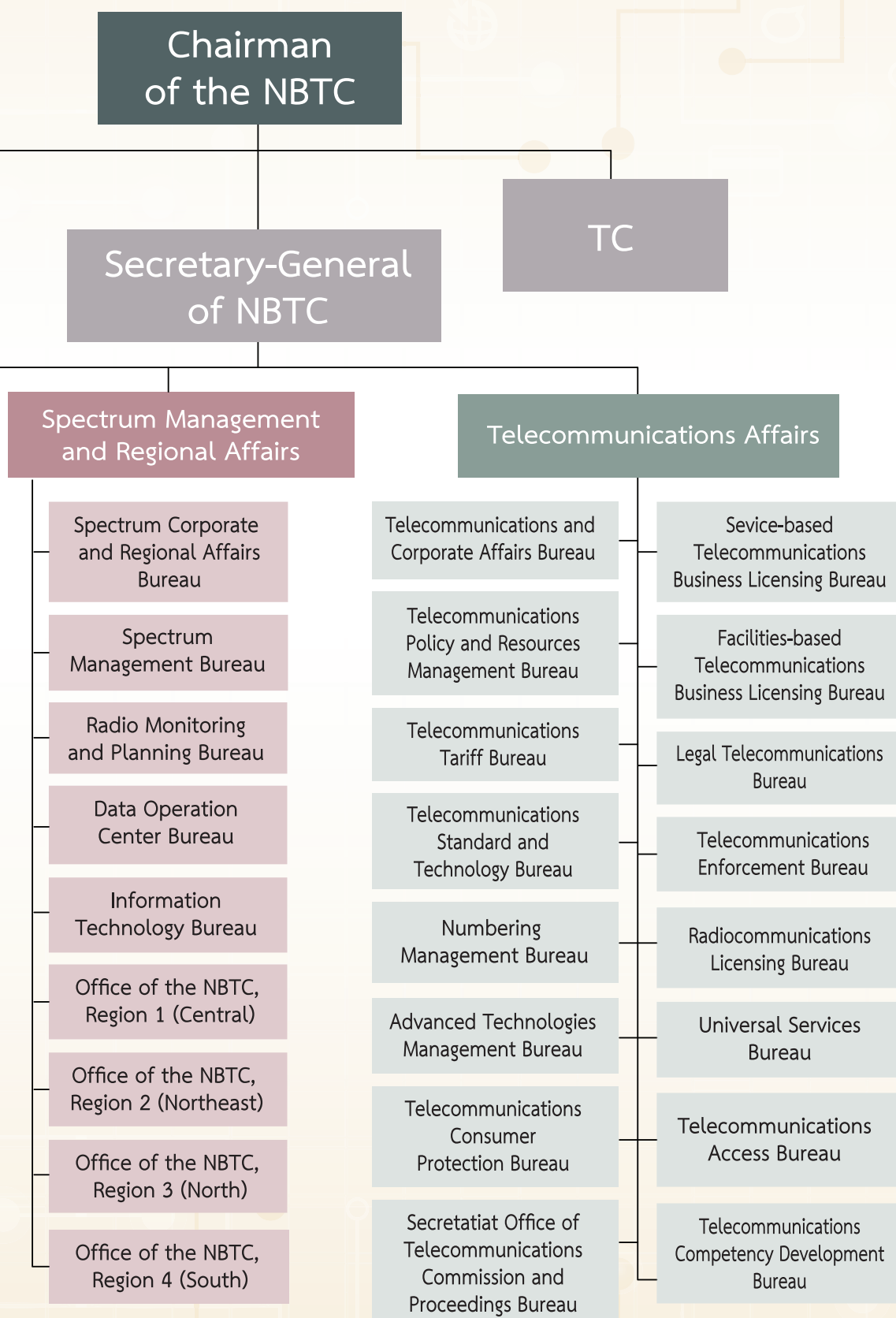
Secretariat Office
of the Secretary-
General Bureau

Public Relations
Bureau

Research and
Development
Fund Bureau

Secretariat Unit
of the Monitoring
and Performance
Appraisal Committee

Secretariat Unit
of the Internal
Audit Committee





Executive Summary

This Executive Summary presents the conclusion of the operating performance of the National Broadcasting and Telecommunications Commission (NBTC) in the year 2016 which has been improved for the most efficient according to the observation of the Parliament and the Office of the Auditor General of Thailand since the year 2015. Details are as follows:

Transparency in the organization management : The NBTC has required that all the executives in the positions of Deputy Secretary-General of the NBTC, Principal Expert, Executive Director, Executive Director of the Regional Office of the NBTC, Expert, Director of the Sub-regional Office of the NBTC, and Division Director of the Supply and Asset Management Bureau, submit a declaration listing of all owned assets in the form of the Office of the National Anti-Corruption Commission (NCC) to the Office of the NBTC in order to support the transparency of the organization and respond to the government policies in the prevention and the anti- corruption.

Procurement : The NBTC has abolished the NTC's Regulation on Procurement B.E. 2548 (2005) and its amendment, and issued the NBTC's Regulation on Procurement B.E. 2558 (2015) prescribing that the NBTC shall apply mutatis mutandis the Regulation of the Office of the Prime Minister on Procurement B.E. 2538 (1992) and its amendment to the procurement process of the NBTC to conform to the same standards as other government agencies. As a result, the procurement of the Office of the NBTC has been more efficient and effective, and in the year 2016 the procurement by special arrangement could be reduced to 13 items which were in cases of urgency and inevitability for the amount of 37.21 million baht. Those cases were such as the project on the exhibition arrangement to disseminate knowledge on spectrum auction in the frequency bands of 1800 MHz and 900 MHz to the public, the implementation of the project to build knowledge and understanding of the public regarding the transition to digital television signal transmission via radio broadcasting stations, the publication and distribution of the Royal Guidance and Royal Speech of His Majesty King Bhumibol Adulyadej in the occasion of the New Year festival 2017, etc. The rest procurement by special arrangement was conducted for existing contractors in order to continue their service provision, or the public relations where there was only one service provider. Apart from that, all procurement was conducted by the price quotation and bidding methods.



Annual expenditure budgeting : The NBTC has appointed the Sub-committee for the Office of the NBTC's Budget Consideration consists of the experts from the Bureau of the Budget to consider and screen the budget to be appropriate and in accordance with the legal mission. The NBTC has empowered the Sub-committees to consider the budget independently. In 2016, the NBTC had set up the expenditure budget according to the Strategic Plan as the surplus budgeting. The revenue collection was 10,247.406 million baht while the expenditure budget was totally 5,673.849 million baht, which is expected to have the outstanding balance to be delivered as the state revenue for 4,573.557 million baht.

Budget management process : The NBTC has reduced budget of plans and projects that were unnecessary and that made the budget expenditure concluded within 4,787.543 million baht. Moreover, the NBTC was able to allocate budget to support the mission under the Order of the National Council for Peace and Order on measures to promote radio broadcasting, television and telecommunications business operation for the public benefit, including the reduction of the amount of money to be reserved for overlapped disbursement in next year. There was only the budget reserved for the mission under the NBTC's policy, consisting of the project on the construction of the Office of the NBTC's headquarters building, and the project to build knowledge and disseminate information to the public regarding the transition to digital broadcasting and television signal transmission, as well as the budget reserved for the cases that contract parties have already delivered the work and the Office of the NBTC needs a period of times to inspect and check if the work has been done completely as specified in the contract.

Travelling to foreign countries on official purposes : Since the year 2015 the NBTC has set up the practical guidelines for travelling to foreign countries on official purposes in accordance with the Cabinet's resolution which prescribed that the travelling shall be made only upon the mission of international organization meetings (ITU, WTO) which are necessary to attend. The practical guidelines help reducing the overall budget expenditure both in terms of travel expenses and VIP reception expense during the meetings; when comparing the expenditure of the year 2015 to the year 2014, the expenditure was decreased 40.69 percent, and the year 2016 to the year 2015, the expenditure was decreased 23.07 percent. For the VIP entertainment expense, when comparing the expenditure of the year 2015 to the year 2014, the expenditure was decreased 53.49 percent, and comparing the year 2016 to the year 2015, the expenditure was decreased 42.56 percent.



Reduction of the number and composition of the Sub-committees and Working Groups in order to reduce the spending burden on the remuneration of the Sub-committees and Working Groups (meeting allowance) by reducing the number of the Sub-committees from 60 to 30 and Working Groups from 63 to 19, including adjust the composition of a Sub-committee and a Working Group to be less than 10 people. This operation could save a lot of remuneration budget (meeting allowance) when comparing the year 2015 to the year 2014, the expenditure was decreased 24.38 percent, and the year 2016 to the year 2015 the expenditure was decreased 9.82 percent.

The major performance of the NBTC and the Office of the NBTC in the year 2016 is as follows:

1. Strategy and Organization Management

The NBTC and the Office of the NBTC have focused on building the organization of transparency and performing their mission by adhering to the good corporate governance. Also, the NBTC has announced the policy that all the executives shall submit a declaration listing of all owned assets to the Office of the NBTC in order to support the organizational transparency and respond to the government policies in the prevention and the anti-corruption. The NBTC also issued the NBTC's Order requiring that all the executives in the positions of Deputy Secretary-General of the NBTC, Principal Expert, Executive Director, Executive Director of the Regional Office of the NBTC, Expert, Director of the Sub-regional Office of the NBTC, and Division Director of the Supply and Asset Management Bureau, submit a declaration listing of all owned assets and liabilities in the form of the Office of the National Anti-Corruption Commission (NACC) to the Office of the NBTC within 180 days starting from 1 October 2016. Although the submission of a declaration listing of all owned assets and liabilities required by the Office of NACC has not been enforced on the executives in the positions lower than the Secretary-General of the NBTC, they have provided their cooperation in submitting such assets as well.

Moreover, the Office of the NBTC has signed a Memorandum of Cooperation with the Office of NCC for being the Organization of Transparency and the good model of action.

Under such policy, the NBTC had set up and managed the expenditure budget of the year 2016, which, in turn, could save the expenditure budget and be able to support the government policies. The details are as follows:



(1) **Setting up the expenditure budget according to the Strategic Plan** as the surplus budgeting. The revenue collection was 10,247.406 million baht while the expenditure budget was totally 5,673.849 million baht, and it was expected that the outstanding balance to be delivered as the state revenue would be 4,573.557 million baht.

| Items | | Amount (million baht) |
|--------------|---|--------------------------|
| 1 | Essential expense (minimum) | 2,123.550 |
| 2 | Expense commitment over the previous year | 957.462 |
| 3 | Budget total (1 + 2) | 3,081.012 |
| 4 | Expenditure budget for new plans/projects | 2,061.640 |
| 5 | Central budget in case of emergencies and necessities | 20.000 |
| 6 | Expenditure budget total for the NBTC and the Office's mission (3 + 4 + 5) | 5,162.652 |
| 7 | Project on the construction of new building of the Office of the NBTC | 232.798 |
| 8 | Contribution to the Fund | 278.400 |
| Total | | 5,673.849 |

(2) **Having adjusted the expenditure budget plan and budget expenditure** and carrying out activities under the plans/projects according to the expenditure budget plan of the year 2016 for the total amount of 4,787.543 million baht, which can be classified to the expenditure budget for the mission of NBTC and the Office of the NBTC at the amount of 4,276.345 million baht or accounting for 100.00 percent, the budget for the project of the construction of new building of the Office of the NBTC at the amount of 232.798 million baht or accounting for 100.00 percent, and the budget contributed to the Fund as prescribed by the law at the amount of 278.400 million baht or accounting for 100.00 percent, as shown below:



| Items | Fiscal year 2016 | | |
|---|------------------------|--------------------------|---------------|
| | Plan (million baht) | Result (million baht) | Percent |
| 1 Expenditure budget for the mission of the NBTC and Office of the NBTC | 4,276.345 | 4,276.345 | 100.00 |
| 2 The project on the construction of new building of the Office of the NBTC | 232.798 | 232.798 | 100.00 |
| Total (1 + 2) | 4,509.143 | 4,509.143 | 100.00 |
| 3 Contribution to the Fund | 278.400 | 278.400 | 100.00 |
| Total | 4,787.543 | 4,787.543 | 100.00 |

However, the review of the results of projects implementation by suspending or canceling unnecessary projects, made the expenditure budget reduced, and the NBTC was able to allocate budget to support the mission under the Order of the National Council for Peace and Order on measures to promote radio broadcasting, television and telecommunications businesses for the public benefits.

(3) Budget expenditure for travelling to foreign countries on official purposes, the NBTC has set up the practical guidelines in accordance with the Cabinet's resolution that the travelling shall be made only upon the mission of international organization meetings such as ITU, WTO, etc., which are necessary to attend, and it could reduce the overall budget expenditure for travelling to foreign countries on official purposes since the year 2014 to 2016, as shown below:

| Items | 2014 | 2015 | | 2016 | |
|-----------------------|--------------------------|--------------------------|------------------|--------------------------|------------------|
| | Amount (million baht) | Amount (million baht) | Decreased (%) | Amount (million baht) | Decreased (%) |
| 1. The NBTC | 28.463 | 20.172 | 29.13 | 15.457 | 23.38 |
| 2. Office of the NBTC | 71.994 | 39.410 | 45.26 | 30.379 | 22.92 |
| Total | 100.456 | 59.582 | 40.69 | 45.836 | 23.07 |



(4) Entertainment expense, In travelling to attend the meetings with international organization, such as ITU or WTO, it is necessary for the Office of the NBTC to hold the welcoming party or dinner for the important persons from other organizations during the meetings in order to support the operation of the NBTC. However, according to the travel made only upon the necessary mission, the expense for entertainment decreased constantly as follows :

| Items | 2014 | 2015 | | 2016 | |
|-----------------------|--------------------------|--------------------------|------------------|--------------------------|------------------|
| | Amount (million baht) | Amount (million baht) | Decreased (%) | Amount (million baht) | Decreased (%) |
| 1. The NBTC | 4.652 | 2.703 | 41.89 | 2.314 | 14.39 |
| 2. Office of the NBTC | 2.017 | 0.398 | 80.24 | 0.276 | 30.61 |
| Total | 6.669 | 3.102 | 53.49 | 1.782 | 42.56 |

(5) Reduction of the number and composition of the Sub-committees and Working Groups which the budget expenditure on meeting allowance decreased continuously as follows:

| Items | 2014 | 2015 | | 2016 | |
|-------------------|--------------------------|--------------------------|------------------|--------------------------|------------------|
| | Amount (million baht) | Amount (million baht) | Decreased (%) | Amount (million baht) | Decreased (%) |
| Meeting allowance | 51.045 | 38.601 | 24.38 | 34.809 | 9.82 |

(6) Procurement: In 2016 the NBTC had carried out the procurement process by applying mutatis mutandis the Regulation of the Office of the Prime Minister on Procurement B.E. 2538 (1992) and its amendment to the procurement process of the NBTC. As a result, the number of procurement by special arrangement could be reduced to 13 items, only in cases of urgency and inevitability, at the amount of 37.21 million baht. Those cases were such as the project on the exhibition arrangement to disseminate knowledge on spectrum auction in the frequency bands of 1800 MHz and 900 MHz to the public, the implementation of the project to build knowledge and understanding of the public regarding the transition to digital television signal transmission via radio broadcasting stations, the publication and distribution of the Royal Guidance and Royal Speech of His Majesty King Bhumibol Adulyadej in the occasion of the New Year festival 2017, etc. The rest procurement by special arrangement was made for the existing



contractors in order to continue their service provision, or the public relations where there was only one service provider. Apart from that, all procurement process was done by the price quotation and bidding methods. In addition, measures to accelerate and follow-up the implementation and budget expenditure has been set up in order to supervise and follow-up the implementation and budget expenditure to be in line with the plans as set, resulting in effective expenditure and more revenues to be delivered to the state in the year 2016.

2. Spectrum Management

Having organized the 2nd spectrum auction in the frequency band of 900 MHz on 27 May 2016 under the Order of the Head of National Council for Peace and Order, in which the winner was Advance Wireless Network Company Limited at the bidding price of 75,654 million baht. The revenue received from two spectrum auctions in the frequency band of 900 MHz was totally 151,952 million baht, which the NBTC had already delivered as the state revenue. Not only the spectrum auction could generate more revenues for the state to develop country for the public benefits, but also stimulate the national economy, according to the government's policy, from both direct investment of the operators, who have been granted licenses to use the spectrum and operate 4G business in network building and expansion for providing service, and indirect economic value-added creating from the use of 4G service, which help drive the national economy of billions baht during the year 2016-2017.

In 2016, the Office of the NBTC by the Office of the NBTC Region 1-4 and the 17 Sub-regional offices had monitored the use of spectrum in broadcasting and telecommunications businesses to ensure the efficient and worth use of the spectrum, prevent the frequency interference, and control the radio frequency diffusion to be in line with the standards and conditions attached to the license of the Office of the NBTC. This included technical measurement of radio frequency diffusion, as requested by the authorities concerned both in domestic and international, under the ISO 9001:2008 standards, and operating in cooperation with police officers or soldiers in searching and arresting the people who commit an offence according to the Announcement of the National Council for Peace and Order.



3. Broadcasting and Television Services

Having resolved the problems of the digital terrestrial television operators in which the results are as follows:

(1) Following-up and regulating the broadcasting or television business licensees for the provision of subscription television network service to provide general television service (digital terrestrial television service), both in the categories of public service and commercial service, in the service order No. 1 - 36, respectively in order to support the public's viewing of digital television in all platforms.

(2) Regulating the network installation of radiocommunications stations for the transition to digital television switch over which has already covered 95.1 percent of the areas throughout the country. The implementation has been in line with the plan for network expansion and area coverage as defined.

(3) Supporting the public in the transition to the digital terrestrial television viewing by having distributed 13.571 million digital television coupons in phase 1 to the people for redeeming or buying Set-Top-Box or integrated Digital Television (iDTV) and having continuously publicized information on the viewing of digital terrestrial television to the public.

(4) Having set up the measure for promoting the radio and television broadcasting and telecommunications business for public benefits and proposing its recommendation to the National Council for Peace and Order to enforce the measure under Section 44 in order to build the confidence of operators, both public agencies and private operators, promote the efficiency of the broadcasting, television and telecommunications businesses, and create the stability of the economy system. The Head of the National Council for Peace and Order thus has an Order No.76/2016 dated 20 December 2016 on the measure for promoting the radio and television broadcasting and telecommunications business for public benefits in which the main content consists of:

- Extending payment period for spectrum auction license fees, which was divided into 4 installments, a year for an installment, and the licensees had already paid for 3 installments, in the 4th installment by extending period for payment submission into 2 installments with 1.5 percent of interest per year. For the excess of the minimum fee, the payment shall be made for 6 installments which 3 installments have already been paid; therefore the rest of 3 installments payment shall be extended to 6 installments over a period of 6 years with 1.5 percent of interest per year.



- Having arranged the financial support from the Broadcasting and Telecommunications Research and Development Fund for the Public Benefit on the television signal transmission of general television service via satellite for 3 years.

(5) Setting up measures to reduce the annuity to be delivered to the Broadcasting and Telecommunications Research and Development Fund for the Public Benefit so that the licensees are able to have some type of expenses deducted before submitting the annuity to the Fund.

(6) Adjusting the annual business license fee rate so that the broadcasting and television business license fees be appropriate and in line with the current economic situation and the regulation of the broadcasting and television services and shall not be a burden to operators or users.

(7) Enforcing the law on broadcasting and television business licensees who break the rules and regulations concerning the business operation and have an impact on state security, by having suspended and withdrawn the license to operate the DMC television station of Dhamma Research for Environment Foundation and all radio broadcasting stations involved.

(8) Having carried out activities for consumer protection in broadcasting and television services as follows:

- Having established the center for monitoring illegal content broadcasting in radio, television and online media to monitor the content that may harm consumers, and regulating the programs containing inappropriate content, in collaboration with the Food and Drug Administration (FDA) and the Royal Thai Police, for consumer protection by following-up and monitoring the broadcasting of programs or advertisement that may exploit the consumers as well as imposing the administrative fines on TV stations that broadcasted the illegal advertisement on food and drug.

- Regulating programs broadcasting that had carried out the copyrights infringement on radio, television and online media in order to promote free and fair competition in the business operation.

- Regulating the rates of broadcasting and television service tariff to protect consumers or users so that they are able to get the fair service rates.

- Having publicized and campaigned to build knowledge and understanding of the public including established cooperation with agencies concerned for protecting consumers and supporting the transition to digital terrestrial television viewing continuously.



4. Telecommunications Services

The major performance in telecommunications services is as follows:

(1) Having organized the auction of mobile phone pretty numbers on 27 November 2016 which generated the revenues of 57,968,888 baht, and after deduction the revenues will be delivered as the state revenues. The auction was very successful, as it was the 1st auction in Asian countries and the 3rd auction in the world, and become a good model for other countries, such as Japan, which the government is called by the media to arrange the same auction of mobile phone pretty numbers as Thailand.

(2) Having signed a memorandum of technical cooperation with the Bank of Thailand (BOT) to study guidelines for regulating mobile payment service as nowadays the provision of telecommunications services and financial services have integrated into one service, resulting in an instant increase of financial transaction on mobile phone including e-Wallet spending apart from cash and credit cards.

(3) Regulating the rates and quality of mobile phone service to ensure that the people can use the service with good quality at cheaper price by setting the mobile phone service rates in the frequency band of 2.1 GHz that the voice service must not exceed 0.82 baht per minute, the internet service rate must not exceed 0.28 baht per megabyte, SMS service must not 1.33 baht per message, and MMS service must not exceed 3.32 baht per message. For the mobile phone service rates in the frequency band of 1800 MHz and 900 MHz, the NBTC has regulated that the mobile phone operators must strictly comply with the measure for society and consumer protection as prescribed in the conditions attached to the licenses, and the service rates must be charged based on actual usage in second for every program of sales promotion. Also, the service rates must be lower than the service rate available in the frequency band of 2.1 GHz which means the voice service must be less than 0.69 baht per minute, the internet service must be less than 0.26 baht per megabyte, SMS service must be less than 1.15 baht per message, and MMS service must be less than 3.11 baht per message.

(4) Having regulated, suspended, and restrained the dissemination of inappropriate information by requesting all internet service providers to strictly disseminate information in accordance with the government's guidelines and suspend the dissemination of inappropriate information through websites or online media as well as follow-up and monitor such information, and if the dissemination of inappropriate information has been found, immediate suspension or restraint shall be applied.



(5) Installation of communication lines underground, the NBTC has signed a memorandum of technical cooperation with the Metropolitan Electricity Authority (MEA), Bangkok Metropolitan Administration, Royal Thai Police, and TOT Public Company Limited to carry out the project of the replacement of the overhead line by the underground cable system in order to support Bangkok to become the Capital of ASEAN, by having coordinated with the authorities who provide conduit services to find a solution of laying communications lines underground line in areas of Bangkok, Chiang Mai and Phuket as they are big cities with a number of population and a major tourist attraction. In the past operation, the telecommunication line has been installed underground in the area of Ladprao intersection to Victory Monument, a major business district of Bangkok, to support a variety of service provision such as telephone lines, fiber optic cable, and improve the scenery of the city to be more beautiful as well as ensure safety of life and property of the citizen.

(6) Having protected consumers in telecommunications services as follows:

- Receiving complaints through Call Center 1200 and the NBTC 1200 application installing on mobile phones for receiving complaints regarding quality of mobile signal service provision in case of dropped line, in order to solve the problem of consumers or lighten the suffering caused by the service use.
- Regulating quality of services by having monitored and measured the quality of mobile phone signals of the service providers in the frequency band of 2.1 GHz, having the Drive Test randomly and collecting information of mobile phone signals in different areas throughout the country together with the Walk Test operation to speed up the problem solving for the people.
- Conducting campaigns to raise public awareness about the installation of mobile phone base stations nationwide, to enhance an accurate understanding on the impact of electromagnetic field emission from mobile phone base stations as well as organizing public relations in various areas.
- Resolving the consumers' problems such as internet leak, solving SMS spam by dialing *137 to cancel the service, having established a channel for checking the mobile service usage by dialing *165 free of charge, solving the problems of bill shock, etc.



5. Action Plan for the Year 2017

The NBTC's policies for the operation and budgeting in the year 2017 will be focusing on the protection of the state and public benefits for the utmost benefit as follows:

(1) To build the organization of transparency continuously, especially on budgeting, budget expenditure, procurement, and the provision of licensing service, to ensure that every process of operation is transparent.

(2) To accelerate the delivery of revenue in the year 2016, which has already deducted the operating expenditure, to the Ministry of Finance as state revenue at the beginning of January 2017 immediately without being certified by the Office of the Auditor General of Thailand. It is expected that the revenue to be delivered as state revenue in 2016 will be more than 4,300 million baht.

(3) To decentralize all types of licensing to the Office of the NBTC Region 1-4 to be able to operate on behalf of the Office of the NBTC in the Headquarters to facilitate the persons wishing to apply for licenses in all regions so they need not to travel to the Headquarters of the Office of the NBTC in Bangkok. This includes the establishment of 4 more Sub-regional offices of the Office of the NBTC to complete 21 Sub-regional offices with the purposes to support the cooperation with other government agencies on monitoring content advertising on radio, television and online media as well as to receive complaints of people.

(4) To support and push forward the assistance to digital TV operators which consisted of the issues that had been considered and approved by the NBTC Meeting and the issues being in the process of presentation to the NBTC Meeting. The main issues are as follows:

- Supporting the use the money from the Fund to carry out the television channels via satellite according to the Must-carry Rule, to be completed as soon as possible.
- Exempting or reducing the annual fees from the broadcast of programs concerning the demise of His Majesty King Bhumibol Adulyadej which were considered as the informative programs that shall be claimed for exemption or reduction of annual fees.
- Extending the auction payment period in the 4th, 5th and 6th installments into several installments in order to lighten the load of digital TV operators.



- Distributing more than 4,000,000 digital TV coupons to the public, starting from January 2016 onwards. Moreover, the NBTC has improved the system for distributing digital TV coupons in order to facilitate the citizen and there will be a transparent and fair operating process according to the government's policy. In the distribution of additional digital TV coupons, there will be a link of database between the NBTC and the Department of Provincial Administration so that the people will be able to show their ID cards for redeeming the Set-Top-Box or receiving discount on buying digital television set.

- Accelerating the expansion of digital television networks, especially the low power stations to cover the area of broadcasting and provide the service with good quality of the signal under the same standard.

- Extending the revenue collection to the Fund period by considering from the results of the business operation in 2017, and as a result, the revenue collection to the Fund period will be extended to the year 2018.

- Reducing the annual fee rates which will be put into force on the revenue generated in 2016, and this will result in the decrease of a burden on annual fees in overall for more than 50 percent.

(5) Supporting the operation under the government's policy regarding digital TV in order to be in line with the government's policy, including accelerating the issuance of the measure for prevention and anti-piracy in the broadcasting and television services.

(6) Returning the frequency of radio broadcasting station used by the Office of the NBTC (1 Por Nor) for at least 9 stations at the beginning of the year 2017.

(7) Supporting and accelerating the village internet installation under the NBTC mission on universal service and social service obligation (USO) in marginal areas for 3,920 villages and in the additional areas assigned by the government for 15,000 villages. The operation will be done soonest and it is expected to start operating in December 2017 onwards, and the NBTC will notify the Comptroller General's Department in written requesting for the inclusion of the project to the project on moral agreement in order to confirm that the project will be done with transparency, cleanness and fairness.

(8) Organizing the mobile phone pretty numbers auction for 1,500 numbers quarterly in the year 2017 in which for the 1st quarter, more than 100 numbers of 6 digits recurring and 7 digits recurring will be auctioned within March 2017, and the NBTC will speed up the auction for the remaining numbers in the 2nd, 3rd, and 4th quarters. The revenue generated by the auction after expenditure deduction will be delivered as the state revenue.



(9) Building confidence of the citizen on the use of prompt pay system or mobile payment in which by the end of the 1st quarter of 2017, the NBTC will enforce the prepaid mobile phone SIM card registration on the users wishing to use a new number by having fingerprint scanned. For the SIM card registration, the registrant must show his identity card and the information will be examined with the database of the Department of Provincial Administration to confirm the accurate information. Moreover, to ensure the people who use the service in the prompt pay system or mobile payment that the money in their bank accounts will be secured.

There is no need to re-register for people who have already registered their SIM cards, however, if they want to be assured of the financial transactions in such system, they can also register their SIM cards in the new system. Currently, there are approximately 14 million accounts of the people who use mobile payment system, and the NBTC has cooperated with the Bank of Thailand, the Thai Bankers Association, and mobile phone service providers to specially take care of those 14 million accounts to ensure the people of the security of the system.

(10) Setting up policy on the service provision to the disabled wishing to buy mobile phone SIM card under the project “SIM cards for the Disabled”, in which the disabled who buy new mobile phone SIM cards will get a 10 percent discount of service charge. For the disabled who use old SIM cards, they can present the SIM cards to the service providers for identifying themselves and get a 10 percent discount of service charge as well. It is expected that the SIM cards for the disabled will be available for service provision within March 2017.

(11) Accelerating the operation on organizing communications lines, in cooperation with telecommunications operators, the Metropolitan Electricity Authority (MEA) and Provincial Electricity Authority (PEA) in order to improve the scenery of the city to be more beautiful as well as ensure safety of life and property of the citizen.

(12) Accelerating the operation regarding the revenue generated from the mobile phone service provision in the frequency band of 1800 MHz and 900 MHz during the remedy period in order to reach a settlement by the 1st quarter of 2017, and the NBTC will deliver the revenue generated from the service during this period as state revenue.



(13) Protecting consumers in broadcasting, television and telecommunications services which is considered as a crucial mission to be done in top priority whether consumer protection in telecommunications service such as setting telecommunication service rates, follow-up and monitoring quality of signal of the service provision, handling the consumers' complaints, or consumer protection in broadcasting and television services such as regulating the exaggerated advertisement, illegal advertisement, etc. The operation of the Office of the NBTC must be done in a transparent and fair manner for the utmost benefit of the public.

According to the above policies and the action plans, the NBTC Meeting had approved the expenditure budget plan under the Strategic Plan of the Office of the NBTC in the year 2017 as follows:

| Items | | Amount (Million Baht) |
|--------------|---|--------------------------|
| 1 | Essential expense (minimum) | 1,996.206 |
| 2 | Expense commitment over the previous year | 641.853 |
| 3 | Budget total (1 + 2) | 2,638.059 |
| 4 | Expenditure budget for new plans/projects | 1,972.759 |
| 5 | Central budget in case of emergencies and necessities | 50.000 |
| 6 | Expenditure budget total for the NBTC and the Office's mission (3 + 4 + 5) | 4,660.818 |
| 7 | Project on the construction of new building of the Office of the NBTC | 314.485 |
| 8 | Contribution to the Fund | 510.000 |
| Total | | 5,485.303 |



*In Loving Remembrance of His Majesty
King Bhumibol Adulyadej*

The National Broadcasting and Telecommunications Commission,
the Executives and Staff of the Office of the National Broadcasting and Telecommunications Commission