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Govt sticks to single wholesale network

5G ROLLOUT

GOVT STICKS TO SINGLE WHOLESALE NETWORK

Mobile network operators offered 70pc stake in Digital Nasional Bhd

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THE government has decided to stick to the single wholesale network (SWN) model operated by Digital Nasional Bhd (DNB) in the 5G rollout nationwide.

But mobile network operators (MNOs) such as Maxis Bhd, Axiata Group Bhd, Digi.Com Bhd and U Mobile have been offered a 70 per cent stake in DNB as the government dilutes its share-

holding to 30 per cent.

"After considering several models for the national 5G network infrastructure, the government has decided to maintain the implementation of the SWN model. Maintaining the SWN model reflects the government's firm stance on the continuity of policy in Malaysia," said Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz.

"It also symbolises Malaysia's strong public-private partnership model, as well as a robust private sector financing ecosystem, all of

which will boost investors' confidence in Malaysia," he said at a press conference here yesterday.

Tengku Zafrul said DNB will be owned by both the government and MNOs.

He said DNB is projected to keep the wholesale price of 5G at less than 20 sen per gigabyte (GB).

"This is expected to make the cost of 5G more affordable as well as reduce the cost of living and the cost of doing business in Malaysia."

Late last year, four major telcos in Malaysia recommended that an additional 5G network run parallel with DNB via a dual wholesale network (DWN) model.

They contended that two organisations utilising telco assets to coordinate and collaborate in the first 12 to 18 months would achieve a faster rollout of 5G in Malaysia.

Putra Business School business development manager Associate Professor Dr Ahmed Razman Abdul Latiff said the proposed joint ownership of DNB between the government and MNOs is much better than the original single ownership structure.

"This will improve the governance and decision-making as it will be commercially driven and will focus on efficiency as well. This will reflect positively on investors' confidence as well as on the government and Malaysia,"

he told the *New Straits Times*.

Communications and Multimedia Minister Tan Sri Annuar Musa said at 20 sen per GB, the cost of 5G would be lower than the current 4G network.

The total cost of the country's 5G coverage inclusive of network hardware and infrastructure was estimated at RM12.5 billion last December.

"The people should be able to enjoy access to high-quality 5G services fairly, equitably and at an affordable price. The SWN model will help bridge the urban-rural digital divide."

The government has targeted an 80 per cent population coverage within three years of the 5G rollout, he added.



Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz (left) and Communications and Multimedia Minister Tan Sri Annuar Musa at a press conference on the 5G rollout in Putrajaya yesterday. PIC BY MOHD FADLI HAMZAH