

The Creation of Thai Public Broadcasting Service: Thailand's First Public Television Station

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1. THE TELEVISION LANDSCAPE IN THAILAND

Television is the most powerful medium in Thailand, followed by radio. The reason why the electronic media are far more popular than newspapers and other forms of print media is related to the country's low average level of education. A survey by AcNielsen, a media market research firm, showed that about 86 percent of the Thai population watch television every day, while 36 and 21 percent listen to the radio and read newspapers, respectively (Table 1). Thus, television plays a very significant role in providing the people with news and information, and is influential in shaping their political and social views. The influence of television is more prominent in the rural areas of the country where the rate of newspaper readership is only 14 percent.

As of early 2007, Thailand had six free-to-air terrestrial television stations: Channel 3, Channel 5, Channel 7, Channel 9, Channel 11 and iTV. These stations can be classified into two groups in terms of institutional setting: stations that are State owned and run and those that are State owned but privately run. The latter type operates through concessions granted by various State agencies. Thailand had no stations equivalent to the "public service broadcasting" (PSB) or "public television" stations such as BBC in the United Kingdom, NHK in Japan, or ABC in Australia, which are directly or indirectly funded by the public but are independent in terms of operational and editorial matters. State-run television stations comprise Channel 5

of the Army, Channel 9 of the Mass Communication Organization of Thailand (MCOT), and Channel 11 of the Government Public Relations Department (PRD). Privately run State-owned stations are Channel 3 (operated through a concession granted by MCOT), Channel 7 (operated through a concession granted by the Army), and iTV (operated through a concession granted by the Office of the Prime Minister. A new regulatory model based on a licensing system was about to be introduced around 2000 but was delayed for over seven years owing to legal disputes concerning the selection of its regulator, the National Broadcasting Commission (NBC).

All privately run television stations are majority-owned by their founders' families. For example, Channel 3 is operated by a company owned by the Maleenont family. One of that family's members served as a Cabinet minister throughout the first two Thaksin Shinawatra Administrations, and iTV was run by Shin Corporation, which had been owned by former Prime Minister Thaksin's family until it was sold to the Singapore-based Temasek Holding Company in early 2006. Thus, all the free-to-air television stations are or until recently were owned or operated by the Army, the government's public relations units or politicians' families. Therefore, it was very easy for the Thaksin government to control the operation of television stations. Even though other government administrations did not enjoy such a degree of control, important media like television have never been free from political interference.

Table 1 What Types of Media Did You Access Yesterday?

(percentage)

	Countrywide	Bangkok	Urban	Rural
Population (millions)	50.30	8.72	3.77	37.80
Television	86	93	91	84
Radio	36	47	48	33
Newspaper	21	44	43	14

Source: AcNielsen Media Index (surveyed in 2001).

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In addition to the six terrestrial television stations, the country has several Cable TV (CATV), Multi-Channel Multi-Band-Distribution Service (MMDS), and satellite television stations. The largest CATV operator is True Vision, owned by another Thaksin Cabinet member's family and operated under an MCOT concession. Until recently, it was the sole nationwide cable provider and the only active cable operator in Bangkok. Outside Bangkok, hundreds of small and medium-sized operators offer services in urban areas throughout the country. PRD is technically in charge of regulating these provincial cable operators, but only 78 providers have been granted concessions so far. Some 100 CATV operators are either awaiting approval from PRD or operating illegally without a permit. A few other companies operate free-to-air non-terrestrial television. For example, Thai TV (TTV) operates an analog MMDS television in the Bangkok metropolitan area under a concession from PRD. Asia Satellite TV (ASTV), owned by the Manager Media Group, provides a free-to-air satellite television service that offers eight channels. Owing to the dubious legal status of most CATV and satellite television operators and their much narrower reach, CATV and satellite television have never become a serious threat to the terrestrial operators.

From a public policy perspective, the existing market structure of television in Thailand does not produce an optimal outcome for the society. In particular, Somkiat (2003) found that there was a clear upward trend in the broadcasting time allocated to entertainment programs and a downward trend in that devoted to educational, documentary and commentary programs. Program production and distribution, driven by advertising revenue, tends to ignore certain viewer groups, such as children and senior citizens, who tend to have lower purchasing power than other age groups. Commentary programs have been found to lack balance in the presentation of different opinions on controversial issues (Media Monitor Project 2006).

2. THE BIRTH OF THAI PBS¹

Discussion of the need for a public television station in Thailand began in the aftermath of the "Bloody May" crackdown on anti-government protests in 1992. At that time the need was expressed for a television station that would broadcast news and information free from State intervention. The resulting public debate gave rise to the establishment of iTV, a privately owned channel which started broadcasting in 1995 under a 30-year State concession from the Office of the Prime Minister. A condition in that concession stipulated that iTV had to broadcast news and information programs for no less than 70 percent of its total airtime and pay a high concession fee, which made it difficult for iTV to survive financially. Further exacerbating this pressing condition were the effects of the 1997 financial crisis, which forced iTV to undergo massive debt restructuring.

The station's former shareholders pulled out and were replaced by Shin Corporation, a conglomerate owned by the family of Thaksin Shinawatra, who was subsequently elected Prime Minister in 2000. Following the change in ownership, the station was often criticized for its allegedly biased coverage in favor of the Thaksin government.

During the Thaksin Administration, iTV won an arbitration case to increase the ratio of entertainment programming and pay a significantly reduced concession fee. However, that decision was subsequently nullified by the Central Administrative Court due to procedural irregularities in the concession process. The court ruling put iTV into virtual bankruptcy. After the company refused to pay the full amount of the concession fee, its concession was revoked by the Surayud Chulanont Administration, an interim government set up after the September 2006 coup d'etat which ousted the former Prime Minister. The concession was then returned to the Office of the Prime Minister and the station was renamed as TITV but it continued to be run by former iTV staff.

Discussion of the need for a public television station resumed in 2007. Persuaded by academic, civic groups and media professionals, the Surayud Administration decided to set up a public television station and passed the Thai Public Broadcasting Service Act to make this possible. Under that act, the new public television station, named Thai Public Broadcasting Service or Thai PBS, would receive funds from earmarked tobacco and alcohol taxes as its source of revenue. The act also provides Thai PBS with legal protection against political and commercial intervention. One of the most controversial provisions of the act is a transitional clause that mandates the transformation of TITV into Thai PBS. After the act came into effect on January 15, 2008, Thai PBS officially went on air on February 15, 2008.

The objective of this article is to provide background to the creation and design of Thai PBS, the first public television station in Thailand and Southeast Asia. As the author has been involved in designing and considering the Thai PBS Act, the view presented here inevitably reflects an insider's perspective.

3. OPTIONS FOR SETTING UP THAI PBS²

As discussed in the previous section, the idea of public media has been discussed in Thailand for over a decade, that is, around the time of the establishment of iTV. However, the idea to transform TITV into Thai PBS turned out to be controversial. Theoretically speaking, there were at least six options for setting up a public television station in Thailand: (1) establishing a new channel using the remaining UHF spectrum band, (2) transforming Channel 11 into a public broadcaster, (3) transforming TITV into a public broadcaster, (4) setting up a public satellite television station,

(5) setting up a public Internet-based television station (IPTV), and (6) establishing no new station but broadcasting programs via existing cable television networks. In this section, we estimate the related financial costs and the time required for setting up a public television station, discuss the strengths and weaknesses of each option, and explain why the third option was adopted.

Each option can be evaluated against the others in many dimensions. One important criterion for evaluation is the financial cost involved. The financial cost for setting up a public television station can be divided into three parts: (1) the cost of investing in the necessary infrastructure, (2) the cost of pre-broadcast preparation, and (3) the recurring cost of program production and operation. Each element of the total cost differs according to the way in which the public television station is set up. Closely associated with the investment cost is the required start-up time, as investment in infrastructure usually involves a considerable length of time. In addition to the financial costs and start-up time, public television should also be evaluated by its broadcasting area coverage, because public television is expected to provide all citizens with universal access. Finally, in addition to economic and social considerations, the political feasibility of setting up a public television station must also be considered. In Table 2, we estimate the cost of setting up an PSB station in Thailand, and compare the strengths and weaknesses of each option.

Table 2 shows that the cost of setting up a public television station by transforming an existing free-to-air terrestrial television station is lower than that of setting up a new one by 3.2-3.4 billion baht, owing to the cost savings on infrastructure investment. More importantly, transforming an existing station into a public television station also reduces the start-up time by 18-24 months. Since setting up a public television station requires considerable political commitment, it would be desirable for the process to be completed within the span of a single government administration. As the term of the Surayud Administration was expected to be brief, the time-savings in the establishment of the station became the most important consideration and the decisive factor in designing the public television station.

Establishing a public television station by using alternative technologies, i.e., satellite or Internet-based technology, is also cheaper and requires a shorter start-up time than setting up a new terrestrial station. However, the fourth and the fifth options, which were based on satellite technology and Internet-based technology, respectively, had a serious weakness from the perspective of universal accessibility: the number of households in Thailand with a satellite antenna or with a high-speed Internet connection is still very low. In

particular, the number of households currently watching television via satellite is only 7 million out of 16 million households. Likewise, the number of households with a high-speed Internet connection is estimated to be fewer than 1 million. Even though the penetration rates of both technologies are expected to increase over time, they are unlikely to be universal in the near and medium term. We thus considered these alternative technologies as inappropriate for a public television station and opted for the conventional terrestrial technology. The same reasoning also applied to the sixth option, since the penetration rate of cable television is limited to urban areas. As a result, the only remaining decision was whether to transform Channel 11 (the second option) or TITV (the third option) into a public television station.

In terms of administrative process, transforming Channel 11 into a public television station would be relatively straightforward since it has long been a State agency. A major challenge, however, was its organizational culture. In functioning as a division under PRD since its establishment, the dominant culture of Channel 11 is highly bureaucratic. Its staff is also accustomed to intervention from politicians and bureaucrats. On the contrary, TITV was originally set up to function in a manner similar to that of a public television station, albeit with an incorrect design. In comparison with Channel 11, it had a more dynamic and professional culture. Thus, in terms of organizational culture, transforming TITV into a public television station would be more appropriate than doing so with Channel 11. Transforming TITV into a public television station would have another advantage in that it would provide the government with a solution for fixing TITV's concession problems. As a result, it was decided that TITV should be transformed into a public television station. However, such a step would not be without problems. First, legal disputes between iTV shareholders, its former management and the government are ongoing and are likely to take years to settle. Second, TITV programs were often criticized as being biased and not up to the international standards of a public service broadcaster. The first issue could be addressed in the Thai PBS Act by ensuring that the rights and obligations of each disputing party would not be affected by the transformation.³ The second issue could be addressed by setting a high programming standard and codes of conduct together with intensive staff training.

4. THE DESIGN OF THAI PBS

In this section, we discuss various issues related to the design of Thai PBS, ranging from organizational status and governance to financing, programming, accountability and public participation.

Table 2 Financial Costs, Strengths and Weaknesses of Each Option for Setting up a Public Television Station

Option	Population coverage	Investment cost (millions of baht)	Operating cost in the first year (millions of baht)		Strengths	Weaknesses
			High-quality programs	Moderate-quality programs		
a) Set up a new terrestrial television station	At least 15.7 million households	3,200-3,400	1,700	1,100	<ul style="list-style-type: none"> - Can design from scratch - Can create culture for new organization 	<ul style="list-style-type: none"> - Requires 18-24 months for preparation before making the first broadcast
b) Transform Channel 11 into a public television station		Very low	1,700	1,100	<ul style="list-style-type: none"> - Existing Channel 11 infrastructure enables quick start up - Requires low investment cost 	<ul style="list-style-type: none"> - Existing organization has bureaucratic culture - Susceptible to government intervention
c) Transform TITV into a public television station		Very low	1,700	1,100	<ul style="list-style-type: none"> - Existing TITV infrastructure enables quick start up - Can recruit qualified TITV staff 	<ul style="list-style-type: none"> - Has legal and political risks from legal disputes and perceived partisan political leaning - Needs to train staff to "unlearn" certain editorial practices incompatible with PSB values
d) Set up a new satellite television station	7 million households	160-360	1,200	600	<ul style="list-style-type: none"> - Requires little investment in infrastructure 	<ul style="list-style-type: none"> - Has low coverage of viewers
e) Provide programs via existing cable television networks	2.0-2.5 million households	160-360	1,200	600	<ul style="list-style-type: none"> - Requires no investment in infrastructure - Can broadcast multi-channel PSB programs 	<ul style="list-style-type: none"> - Has low coverage of viewers (limited to urban areas)
f) Provide programs via IPTV	0.5 million households	160-360	1,200	600	<ul style="list-style-type: none"> - Requires little investment in infrastructure - Can broadcast multi-channel PSB programs 	<ul style="list-style-type: none"> - Has low coverage of viewers - Inconvenient to view the programs broadcast

Notes: 1. Cost estimations are based on the assumption that Thai PBS broadcasts 18 hours of programs per day (0600 – 2400 hours). The ratio of programs are as follows: (1) 22.22 percent or 4 hours a day of news, (2) 22.22 percent or 4 hours a day of drama programs, (3) 11.11 percent or 2 hours a day of documentary programs, (4) 22.22 percent or 4 hours a day of children-oriented programs, (5) 11.11 percent or 2 hours a day of talk show programs, and (6) 11.11 percent or 2 hours a day of other entertainment programs.

2. The estimations do not include the additional cost of about 300 million baht for subsidizing independent program producers and capacity-building for civil society groups and communities participating in program production.

Organization Status and Governance

Thai PBS was set up as a not-for-profit independent public entity by the previously mentioned act. The station was to be governed by a policy committee, consisting of nine members, two of whom would be selected from media experts; three, from people with management experience; and four, from persons with a record for promoting democracy, local development, education, children's concerns, youth and the family or the rights of minority and disabled people. The selection panel was to consist of 15 members selected as follows: three representatives of professional media organizations plus representatives of one media academic group, six civil society organizations and five State agencies specified by the act. The act also stipulates that the selection procedure be transparent and open to public scrutiny. The first policy committee, known as the interim policy committee, however, will be appointed by the cabinet to oversee the transformation process. It would be replaced by the policy committee selected by the selection panel within 180 days of the Thai PBS Act becoming effective.

Thus, the policy committee has the duty and power to give policy direction that reflects the needs of viewers at large and protects the organization against political and business interference. It is also empowered to select a managing director and approve an executive board to be proposed by the managing director; ensure that the operation of the organization follows the stated objectives; and approve the operations and budget plans without interference in its day-to-day operations. Members of the committee will hold office for four years and may be reappointed for up to two consecutive terms.

The executive board will be headed by the managing director and consist of no more than 10 members, no more than six of whom may hold management positions. The executive board is responsible for implementing the approved plans and supervises in-house and outsourced program production.

Financing Models

There are many possible funding models for a public television station, ranging from the license-fee model (as in the United Kingdom and Japan), a government grant model (as in Australia), and a hybrid model (as in India and Canada).⁴ In the case of Thailand, funding from license fees was considered to be not politically feasible, at least until public television gets established. Funding from government grants or general parliamentary appropriation is risky in a country where political interference in the media is the norm. In attempting to ensure predictable and sufficient funding and to guarantee the financial independence of Thai PBS, a unique funding mechanism will be adopted that is based on an earmarked tax. In this model, Thai PBS would obtain the equivalent of 1.5 percent of the excise tax on liquor and tobacco consumption, with the ceiling

being 2 billion baht per year. The cap will be reviewed every three years and can be adjusted upward by the Minister of Finance in order to accommodate the effects of inflation and the possible extended scope of Thai PBS. Other possible sources of revenue include public donations and revenue generated by the sale of the station's intellectual property.

Programming

The previously mentioned act stipulates that Thai PBS must provide high-quality programming for its viewers. Such high-quality programs would include: (a) accurate, impartial and promptly delivered news, (b) programs that promote citizen participation in public affairs and present accurate information and balanced viewpoints, (c) educational programs and programs that promote learning for children and general viewers, (d) programs that promote a good quality of life and public health, (e) programs that promote national identity and cultural diversity or empower marginalized people, and (f) entertainment programs that promote good societal or aesthetic values.

The programs for broadcast are also mandated to be consistent with Thai PBS's programming standards, and the production process must be consistent with its code of conduct. The programming standards and the code of conduct are required in order to address the issues of political impartiality, fairness, protection of human dignity, privacy and other human rights, protection of minors from violence and inappropriate content, and protection of information sources. In addition, the act encourages Thai PBS to promote the participation of independent producers in the production of its programs.

Accountability and Public Participation

Thai PBS is designed to promote accountability and public participation through the following mechanisms:

- Overall evaluation: Such an evaluation must be conducted on an annual basis. Criteria for evaluation include Thai PBS's share of viewers, the viewers' satisfaction and the level of public support, e.g., the amount of public donations received.
- Financial accountability: Thai PBS is mandated to have internal and external audits. As for the latter, it will be audited by Office of the Auditor General (OAG) or certified auditors approved by OAG.
- Political accountability: The policy committee is required to submit an annual report to the cabinet and parliament. The report must include, among other things, an evaluation of the performance of the organization vis-à-vis

the plan, operations and budget plans, information related to program producers, public opinion and feedback.

- Public accountability: The Thai PBS report must be disclosed to the public. The act also mandates that the organization set up a subcommittee to receive any complaints from viewers in cases of non-compliance with the programming standards or the code of conduct.
- Public participation: The act also stipulates that Thai PBS actively promote public participation. In particular, it requires that the organization set up a “viewer council” to gather feedback and suggestions from its viewers and respond to the inputs received.

ENDNOTES

¹ This section was adapted from “Thai Public Broadcasting Service” in Wikipedia.

² This section is adapted from Somkiat (2006).

³ Under the Thai PBS Act, TITV would transfer its power, duties, assets and liabilities to Thai PBS without affecting the existing and future legal disputes between the disputing parties.

⁴ UNESCO (2005).

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