



## **=INTERVIEW: Malaysia Plans To Review Mandatory Standard Access Pricing-MCMC Chairman**

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By Kuala Lumpur Newsroom  
NewsRise

KUALA LUMPUR (Sep 22) – Malaysia plans to review the so-called Mandatory Standard Access Pricing, or MSAP, to encourage telecom operators to invest in fiber networks, the communications regulator's chairman said.

The review of MSAP is expected to start before the year ends, Malaysian Communications and Multimedia Commission's Fadhlullah Suhaimi Abdul Malek told NewsRise in an interview. Such review will take at least six months to complete, he said.

"In principle, the framework would be broadly similar for mobile and fixed broadband players with some differences in certain elements," Fadhlullah said. However, he declined to elaborate as the review document will only be released by year end.

MSAP was introduced in 2018 to regulate prices and terms for internet service providers to access the wholesale broadband. Since then, prices of entry-level high-speed broadband packages have fallen by more than 40%.

At the same time MSAP has also pushed service providers to offer higher speeds at lower or similar prices. However, its implementation has affected Telekom Malaysia the most as the company controls nearly two-thirds of the connection share.

Investment in fiber networks by telecom operators have dropped between 2018 and 2020 since the implementation of MSAP, Fadhlullah noted. "They (telecom operators) too felt there is not enough fiber... because wholesale price has been put on a cap."

Malaysia will also hold a so-called beauty contest auction for the 5G spectrum upon sufficient service coverage of the existing technology, Fadhlullah said. The minimum pricing will be based on the 4G spectrum.

"We don't need to be the first in the market to launch 5G," Fadhlullah said. "We need to look at the demand and we need to get industry ready to use the technology, then we will start commercialization."

Malaysia's current 4G coverage stands at about 92% of the populated areas. In the meantime, the government will continue organizing so-called 5G Demonstration Projects until the year-end to educate the industry on such technology's use in their operations.

- By Gho Chee Yuan and Sarah Nadlin; Terence.Gho@newsrise.org
- Edited by Jason Ng
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