

Headline **The Malaysian cost of WiMAX**
Date **30 Mar 2010**
MediaTitle **Business Today**
Section **NEWS**
Journalist **N/A**
Frequency **Monthly**
Circ / Read **25,000 / 44,000**

Language **English**
Page No **53**
Article Size **529 cm²**
Color **Full Color**
ADValue **4,919**
PRValue **14,758**



TECHNOLOGY
telecom BY CATHERINE YONG

The Malaysian *cost of* WiMAX

Getting to the core of the matter

One of Malaysia's four WiMax 2.3GHz service providers, AsiaSpace Amax will be starting service coverage in Technology Park Malaysia, Bukit Jalil, which is currently home ground to over 5,000 users across 160 technology-driven companies.

Asiaspace has awarded Chinese vendor Huawei, contract to supply an end-to-end Wimax solution but in TPM, Amax WiMAX service will also be deployed with WiWi, a hybrid WiMAX-WiFi wireless router for last mile connectivity. WiWi was developed by local applied research company MIMOS Berhad, which had created the first ISP in Malaysia, Jaring.

In 2008, Asiaspace had announced that it was confident of covering 40% of the Malaysian population by 2010 and up to 80% population coverage come 2011. Almost two years later, its estimates are a little bit more conservative as it has covered only 20% of the Klang Valley population.

Asiaspace Chairman, Datuk Abdul Ghani Abdullah says: "We hope we cover all of Klang Valley by end of this year, but ... will the local authorities help us?"

Abdul Ghani was referring to applications for base station sites that could take local councils up to four years to approve. Also, besides having to deal with site relocations because residents have voiced out against base stations being health hazards, industry sources have revealed that rental for base station sites have gone up as much as 800% in just three years.

One unnamed Malaysian state was also found to be involved in prohibitive practices, not allowing base stations to be set up, unless it is via a state company. An anonymous source has pointed out: "Wireless broadband is faster to deploy than fixed broadband ... if we are not in Malaysia."

Asiaspace Amax has developed a cluster-by-cluster roll out strategy. "This is because we don't want to disappoint people. At least with clusters, we will ensure that the cluster has good coverage," says Abdul Ghani.

Besides being a WiMAX license holder, Asiaspace Sdn Bhd was appointed by the government to

build telecommunications towers for use by celcos under the infrastructure sharing concept. Abdul Ghani shares Asiaspace already has set up 60 base stations in the Klang Valley, with another 70 tower base stations upcoming in other parts of Peninsular Malaysia.

Abdul Ghani also says: "For wireless broadband, the pricing is heavily influenced by three factors. One is the cost of base stations, then the cost of backhaul, which will kill us. Another one is cost of access to the Internet cloud. These are the three major costs, and it can go into millions."

He adds: "More so if we want to go to rural areas, we have to create a backhaul from KL to Penang. So you can imagine how much the cost is. As it is, we are paying RM200,000 a month. And we haven't even covered the whole of Klang Valley."

According to Abdul Ghani, the cost for Amax to connect to the Internet cloud was about RM50,000 per month and a WiMAX base station for Amax has a one-time cost of about RM400,000. **bt**

