

TRAI's 5G recommendations oriented towards consumer benefits, technology adoption and continued reforms: BIF

- *A Win-Win for all – would lead to positive outcomes for all stakeholders*
- *Opportunity for India to showcase early adoption of 5G and catch up with global progress*
- *Will boost 'Atmanirbharta', Make in India, Industry 4.0 and national economy*

New Delhi, 12th April 2022: Broadband India Forum, the leading independent Think-Tank and Policy Forum for Digital Communications in the country, has hailed the TRAI's forward-looking recommendations on 'Auction of Spectrum in frequency bands identified for IMT/5G' as historic and one of the most progressive ones for the Indian Digital Communications sector, ever since its inception. The balanced recommendations provide opportunities for all stakeholders, and would eventually lead to better efficiencies, output and thereby greater economic gains for the country.

The entire gamut of available spectrum in 600 MHz (APT 600 Option B1), 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300-3670 MHz and 24.25-28.5 GHz spectrum bands has been recommended by TRAI to be put to auction. This would be extremely useful keeping in view that only limited spectrum is available for 5G in the 700 MHz band. The sub-GHz spectrum bands are extremely useful for indoor coverage in the Metros and for Rural Coverage. This, together with band plans flexibility in 3300-3670 MHz and 24.25-28.5 GHz spectrum bands as per commercial/business considerations, light touch and reasonable recommendations in areas like rollout obligations, and related conditions to surrender of spectrum; confirm that the promotion of healthy competition, encouraging investment and reducing unnecessary regulation in the sector is top priority.

In future auctions, access spectrum will be assigned for a period of 30 years as against 20 years now. TRAI has recommended the reserve price to be 1.5 times the reserve price for 20 years for the respective band, which is a constructive step for the industry. Increasing the validity of spectrum from 20 to 30 years confers substantial advantage to TSPs by giving a longer-term certainty for planning and recovering their investments. Since the period over which the cost will be amortized increases, it will allow affordable annual outflows and offer more flexibility to TSPs, besides giving them more time to hone in on the big-ticket use cases. TRAI has also recommended flexible payment options for spectrum pay-outs for sustainable growth, for infusing liquidity and encouraging investments into the sector. Removal of overall spectrum cap, a liberalised procedure for surrender of unused spectrum, and liberalised rollout plan are also progressive steps.

TRAI has mooted the concept of sharing of spectrum between the Satellite and 5G industry (in the mmWave bands 27.5-28.5 GHz) in a harmonious manner, which is laudable. TRAI has noted that though the 28.5 GHz band (27.5 - 28.5 GHz), has not been identified by WRC-19 (ITU) for IMT usage, the Government has taken a decision to assign the same for IMT with justifiable reasons. The suggestion that the 24.25-27.5 GHz (26 GHz band) be auctioned first, and only if required, it should be followed by the 28 GHz band, is also a welcome step.

The impact of out-of-band emissions from 5G to Satellite Broadcasters in the extended C band (3800-4200 MHz) would lead to additional cost implications, including expensive filters and other corrective actions. In all fairness, the broadcasters need to be compensated for the installation of interference compensation equipment, as recommended by TRAI. This is in accordance with global best practices.

In terms of spectrum pricing, a price of INR 317 crores/MHz of 5G spectrum has been recommended in the key 3.5 GHz band. While the revised price may appear to be only 35% below the previously recommended price, this may be the best possible under the circumstances, since the indirect benefits from a 30-year tenure and easier payment terms would be quite substantial.

The recommendation of a 5G-dedicated Inter-Ministerial Working Group (IMWG) is an excellent suggestion as the involvement of all stakeholders to support cross-sectoral development, through the creation of special dedicated Digital Cells will create great harmony and synchronization of efforts. The scope of the Digital Cells setting quantitative targets by framing and monitoring short-term (annual), medium-term (5-year), and long-term (10-year) plans is a prudent recommendation.

It is heartening to note that TRAI recommends setting up of Telecom Innovation Centres specialized for development of innovative solutions for 5G use cases and applications in different verticals. The recommendation for a study by DoT to find out the levels of acceptance and adoption of 5G based industrial automation and digital technologies by the MSME sector in India, will help them overcome various constraints and move towards industrial automation with Government support.

TRAI's reiteration of the need for Unbundling of Different Layers Through Differential Licensing, preferably before conducting the auction while making suitable provision for the Network Service Providers in the NIA under eligibility criteria for participating in Auction and other related clauses such as spectrum sharing, spectrum trading, etc. would lead to more efficient use of spectrum, improved technological prowess, healthy competition, effective operations and economies of scale. Further the decision requested at the earliest by TRAI on the recommendations made for 'Enhancement of Scope of Infrastructure Providers Category-I (IP-1) Registration would lead to more efficient use of networks, and help bring out optimal results for 5G, while helping cope with the ongoing as well as future data demand likely to arise out of Next Generation Services.

BIF President, Mr. TV Ramachandran, shared on the recommendations, *"These are one of the most holistic, far-sighted and balanced recommendations in the last 25 years of the Indian Telecom industry. BIF compliments the Authority on having crafted the recommendations with an eye towards consumer benefits, adoption of technology, and continued reforms, for the benefit of all."*

In terms of private networks, TRAI's comprehensive recommendations are balanced and practical, and address the interests of the TSPs, the enterprises, as well as the public – since more private networks would lead to more employment opportunities and business, and in turn, translate into greater economic output and benefits.

An enabling framework consisting of 2 distinct processes has been recommended: establishment of private networks for enterprises by TSPs through their assigned spectrum, and through enterprises directly obtaining spectrum from the Government in an administrative manner. Having considered that Captive Wireless Private Networks are not Public Networks, have no market customers, and are limited to a specific location; TRAI has most appropriately recommended that the spectrum is to be assigned administratively, in line with global practices. It is also laudable that the Authority has stated it would recommend pricing keeping in mind transparency, geographical aspects, factoring of market price, etc. for the Private Networks.

A certain amount of exclusive spectrum (non-public 5G) is recommended to be earmarked for private 5G networks. This will provide an improvement over the average SLAs of Public Networks, besides complete lack of interference between them. This will, in turn, accelerate Digital Transformation of Enterprises to Industry 4.0, and boost both 'Atmanirbharta' & 'Make in India'.

A very light touch online portal based paperless regime for acquiring permission/license for 'Captive Wireless Private Network (CWPN)' within 30 days of application, as recommended, would enable ease of doing business (EoDB).

On the aspect of Private 5G Networks, Mr. Ramachandran added - *"When implemented in policy, these recommendations would enable India to showcase early adoption of 5G across several different verticals - be it healthcare, education, manufacturing, or more, and extract its manifold benefits therein. We can ill afford to stay behind the rest of the world, and this is an opportunity for India to catch up on 5G through Private Networks."*

These balanced and highly progressive recommendations, once formalised into policy, would be a win-win for all. India would not need to wait for pan-India rollout of public networks to enjoy the benefits of 5G. Learnings from use of Private 5G Networks can be used to build competence and significant expertise, and further be leveraged for wider deployment of our nation-wide Public network.

About Broadband India Forum

Broadband India Forum (BIF) functions as an independent policy forum and knowledge-based think-tank that works for the development and enhancement of the entire broadband ecosystem in a holistic, technology-neutral and service-neutral manner. BIF has established itself as a thought leader and a credible and effective voice, to help propel the nation to achieve the country's ambitious vision of creating a Digital India. To achieve this, BIF works to promote the rapid development of policies, so as to facilitate affordable and high-speed ubiquitous broadband throughout the country.

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