SATCOM INDUSTRY ASSOCIATION

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Submission on the TRAI supplementary Consultation Paper on 'Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed'

10 June 2021

Executive Summary

Satcom Industry Association of India [SIA India] appreciates the Authority's diligence and commitment to the objective of "Delivering Broadband Quickly" with optimum broadband speed.

The current consultation paper [CP] of TRAI, which is supplementary to August 2020 titled "Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed", aims to review its earlier decision of license fee exemption on the revenues earned on fixed-line broadband. Although the paper shows the right intention, however, selective application of incentives for particular delivery modes could deter the overall objective.

TRAI, in its recommendations to the CP 2015 "Delivering Broadband Quickly: What do we need to do?" had identified various critical action points *for the SATCOM sector*[1], giving a strong signal that the regulator values broadband connectivity delivered on advanced satellite platforms. In the CP dated Aug 2020, however, satellite broadband hasn't been mentioned under broadband definition or the types of broadband connectivity. So is the case with the latest consultation paper dated May 2021. The Authority has specifically kept the SATCOM sector out of consideration from licensing exemption which is puzzling when the Authority has already recognized the importance of the SATCOM sector.

SIA India urges that the regulator also include the SATCOM sector in their ongoing evaluation of incentive rules, regulations and policies that can foster expanded deployment of and access to quality broadband services for Indian consumers, business, institutions and government. Like any other sector, Satellite Broadband needs to be unconfined and unfettered to unleash its full potential. This would help to create a feasible and sustainable ecosystem for satellite broadband technology to quickly fill the connectivity gap and bridge the digital divide.

Our submission aims at contributing to the larger debate of broadband for all with an appropriate mix of broadband technologies, both satellite and terrestrial, with a much lighter regulatory approach, single-window clearances, and a much more streamlined licensing regime in place to bridge the digital divide and achieve the internet adoption targets much faster.

In this paper, we set out our inputs by first reinstating the association's standpoint on the importance of the SATCOM sector, followed by our suggestions to the questions stated in the 'CP'.

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TRAI Recommendation:

i. *'Open Sky' policy should be adopted for VSAT operators similar to what is available to ISPs and broadcasters. VSAT service providers should be allowed to work directly with any international satellite operators.*
ii. *Separation of Licensor, Regulator and Operator functions in the satellite space domain to conform to best international practices of free markets.*
iii. *The issue of coordination of additional spectrum in the 2500– 2690 MHz band with Department of Space (DoS) needs to be addressed urgently, so that this band can be optimally utilized for commercial as well as strategic purposes.*
iv. *Time-bound award of licenses for operating satellite services and Regulating/Opening of Ka band*

Introduction

With the increasing data requirements and future planned transition to 5G connectivity and to power new generation of technologies such as IoT, M2M and ESIMs, particularly for activities like supply chain management, smart grids, railways, internal security, smart agriculture and healthcare, on the move etc., and to extend new services and superior connectivity to underserved and remote regions as well as on the move such as trains, vehicular, vessels and aircraft, the proliferation of state of the art satellite technology is very much needed..

In India, satellites systems are ubiquitous in the context of 'direct-to-home (DTH) television services. But aside from DTH, the use of satellite technologies in broadband access has not picked up as it should have. This is attributable to the complex and burdensome legal and regulatory framework, which negatively affects the Ease of Doing Business in this sector.

Satellite broadband can bring an absolute change in the whole dynamics. Satellite-based broadband is most suited to areas where 4G coverage is low to zero, where fixed-line broadband is uneconomical, in difficult topographies, with broadband access directly reaching the end users at home without the cumbersome process of wires or towers, which has been proven in a reliable unhindered broadcasting medium through DTH in the country.

High Throughput Satellites (HTS and VHTS) promises to bring about a paradigm shift in the use of satellites for broadband needs of the country. Rapid deployment of high throughput satellite [HTS] technologies in the LEO, MEO and GEO space could dramatically change the internet penetration reality in India by filling in the gaps where the terrestrial connections are not possible.

TRAI -ISSUES FOR CONSULTATION

1. What should be the approach for incentivizing the proliferation of fixed-line broadband networks? Should it be indirect incentives in the form of exemption of license fee on revenues earned from fixed-line broadband services or direct incentives based on an indisputable metric?

SIA-India Response: We would like to set a precedent for the prolific role of satellite communication in 'Delivering Broadband Quickly' under the mission of the GOI. The Bharat Net project envisages an optimal mix of OFC, Radio, and Satellite media. Satellite broadband could emerge as a perfect technology and can easily and quickly fill the connectivity gap in the country's broadband disparity. Satellite coverage can add tremendous value to the mix of technologies currently at play for a more ubiquitous coverage.

Hence, we suggest that:

1. The regulators must include Satellite broadband into this ongoing debate for broadband for all and all future consultations as well.
2. Just like there is a need to create incentives for TSPs to invest in the fixed line business, there is a need for the same for VSAT and satellite broadband service providers as well
3. The approach for incentivizing the proliferation of fixed-line broadband networks should also include the satellite broadband sector for a level playing field between different technologies.
4. Any form of Liberalizing or streamlining the licensing framework must also include the satellite broadband sector with a `single access window'.

5. Delivering broadband through satellite in Bharat Net should be prioritised.

2. If indirect incentives in the form of exemption of license fee on revenues earned from fixed-line broadband services are to be considered then should this license fee exemption be limited to broadband revenue alone or it should be on complete revenue earned from services delivered through fixed-line networks?

No comments

3. In case of converged wireless and fixed-line products or converged services delivered using the fixed-line networks, how to unambiguously arrive at the revenue on which license fee exemption could be claimed by the licensees?

No comments

4. What should be the time period for license fee exemption? Whether this exemption may be gradually reduced or tapered off with each passing year?

SIA-India Response: We urge the regulators that the exemption period that is made applicable to the fixed line providers should also apply to the satellite broadband service providers.

5. Is there a likelihood of misuse by the licensees through misappropriation of revenues due to the proposed exemption of the License Fee on the revenues earned from fixed-line broadband services? If yes, then how to prevent such misuse? From the revenue assurance perspective, what could be the other areas of concern?

No Comments

6. How the system to ascertain revenue from fixed-line broadband services needs to be designed to ensure proper verification of operator's revenue from this stream and secure an effective check on the assessment, collection, and proper allocation and accounting of revenue. Further, what measures are required to be put in place to ensure that revenue earned from the other services is not mixed up with revenues earned from fixed-line broadband services in order to claim higher amount of incentive/exemption.

No Comments

7. Is there any indisputable metric possible to provide direct incentive for proliferation of fixed-line broadband networks? What would be that indisputable metric? How to ensure that such direct incentives will not be misused by the licensees?

No Comments

8. What are key issues and challenges in getting access to public places and street furniture for installation of small cells? Kindly provide the State/ City wise details.

SIA-India Response: We would like to highlight that advances in satellite technology with its new generations of satellites and networks are capable of providing enhanced coverage, higher throughput and additional capacity in support of 5G ecosystem and could be deployed in the dense urban areas to support multicasting applications in support of 5G networks more successfully without any interruption without dependency on street furniture etc.

9. How to permit use of public places and street furniture for the effective rollout of 5G networks? Kindly suggest a uniform, simple, and efficient process which can be used by States/ Local-Bodies for granting access to public places and street furniture for installing small cells. Kindly justify your comments.

No Comments

10. Which all type of channels of communication should be standardized to establish uniform, transparent, and customer friendly mechanisms for publicizing provisioning of service and registration of demand by Licensees?

No Comments

11. Whether proliferation of fixed-line broadband services can be better promoted by providing Direct Benefit Transfer (DBT) to subscribers of fixed-line broadband services? If no, elucidate the reasons.

SIA-India Response: Firstly**,** Any form of Direct Benefit Transfer (DBT) to subscribers of fixed-line broadband services should also be given to the Satellite broadband sector and secondly, the benefits must maintain a level playing field and should not discourage these any broadband service providers.

12. If answer to Q11 is affirmative, then:

i. Should DBT scheme be made applicable to all or a particular segment of fixed-line broadband subscribers? Kindly justify your comments.

ii. If you recommend supporting a particular segment of fixed-line broadband subscribers, how to identify such segment of the subscribers? 13. Any other related issue.

i **iii. How to administer this scheme?**

ii **iv. What should be the amount of DBT for each connection?**

iii **v. What should be the period of offer within which individuals need to register their demand with the service providers?**

iv **vi. What should be the maximum duration of subsidy for each eligible fixed-line broadband connection?**

NO Comments

13. Any other related issue.

SIA – India Response:

For the private players and the start-ups to tap the satellite market, a level playing field must be allowed to them. The high-capacity, high-speed, low-latency satellite network would advance the goal of delivering broadband connectivity to all. As the powerful next-generation satellite systems are being touted as a viable alternative to connect the unconnected, it is essential that the policy around them are liberalized to allow ease of doing business. It will also help boost domestic manufacturing of satellites and satellite ground equipment and enable the domestic companies to become part an efficient part of the ecosystem.

In the last decade, satellite use in providing cellular backhaul has been a robust backbone service for the cellular operators in the country. TRAI, in its recommendation on 28 July 2020, 'Provision **of Cellular Backhaul Connectivity via Satellite through VSAT under Commercial VSAT CUG Authorization'** is a step in the right direction.

Conclusion: The SATCOM Policy needs a major overhaul given the rapidly changing environment with implementation of best practices for such services creating light regulatory conditions through blanket licensing, spectrum certainty and ease of operations. There is no doubt that this increasing availability of advanced satellite communication should be harnessed to meet the country's connectivity shortfall and demand for broadband services all over India's including underserved and unconnected regions. However, the market outcomes are not independent of regulations and institutions governing them. With more flexibility in allocating satellite capacity and with increased national and foreign private sector participation, the country could gain substantial benefits. A level-playing field for private satellite builders, satellite launchers and space-based service providers under its new space communication policy is essential.

The existing regulations require a major overhaul with some fundamental changes in framing the right policy. The policy needs to allow a greater number of private operators, both domestic and foreign into the satellite broadband arena, which is at a nascent stage. With a light touch regulatory framework, easy market access, landing rights, and ease of doing business, the sector could increase taking broadband to all at affordable rates bringing billions of FDI in and raising employability. The overall benefits would be passed on to the end-user and the national economy as a whole.