5G Spectrum rollout Unlikely in 2018

What is the issue ?

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- “Department of Telecommunications” (DoT) has wanted to push 5G technology soon, but the industry doesn’t seem ready as yet.
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- While DoT’s intention on ensuring that new technologies are rolled out in India swiftly is laudable, it is also important to recognize industry concerns.
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What is the status of 5G rollout worldwide?

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- 5G mobile services could be used for anything from powering self-driving cars to an effective roll-out of smart cities.
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- Countries like US, UK, China, Singapore and others are already planning pilots in the next few months.
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- Recently, Huawei announced that they would conduct a live demonstration of a 360-degree virtual reality content broadcast using 5G capabilities.
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- According to estimates, in India, 5G is expected to create a more than $27-billion business opportunity by 2026.
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- Hence, DoT has been trying to roll-out 5G services ahead of the International Telecommunication Union (ITU) tech standards revision in 2019.
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What are the industry concerns?

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- While the prospects are promising, the industry seems to think that the timelines are too short to ensure adequate preparation for 5G deployment.
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- Cellular Operators Association of India (COAI) is an association representing a large number of telecom firms including Airtel, Vodafone and Idea.
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- COAI has asked for a deferment of the 5G spectrum auction till June 2019, as the backend for embracing the ultra high-speed broadband isn't ready.
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- Such industry scepticism is to be viewed in the context of the financial stress already prevalent in the telecom sector, which arose due to disruptive offers.
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What is the way ahead?

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- Those calling for the immediate roll out 5G argue that if the current deadline is missed, then 2019 might also not be possible due to parliamentary elections.
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- Also, India will stand to lose the 1st movers advantage
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- But if there is an auction this year, telcos would be forced to participate to stay competitive, which would further weaken their financial standings.
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- Even existing 2G, 3G and 4G networks of most incumbent operators provide less than satisfactory services, with high call drop rates and poor data services.
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- Hence, it is best for the telecom operators to get their house in order first before trying to aggressively bid for higher 5G spectrum technology.
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Source: Business Standard

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