

5G Spectrum rollout Unlikely in 2018

What is the issue ?

\n\n

\n

- “Department of Telecommunications” (DoT) has wanted to push 5G technology soon, but the industry doesn’t seem ready as yet.

\n

- 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.

\n

\n\n

What is the status of 5G rollout worldwide?

\n\n

\n

- 5G mobile services could be used for anything from powering self-driving cars to an effective roll-out of smart cities.

\n

- Countries like US, UK, China, Singapore and others are already planning pilots in the next few months.

\n

- Recently, Huawei announced that they would conduct a live demonstration of a 360-degree virtual reality content broadcast using 5G capabilities.

\n

- According to estimates, in India, 5G is expected to create a more than \$27-billion business opportunity by 2026.

\n

- Hence, DoT has been trying to roll-out 5G services ahead of the International Telecommunication Union (ITU) tech standards revision in 2019.

\n

\n\n

What are the industry concerns?

\n\n

\n

- While the prospects are promising, the industry seems to think that the timelines are too short to ensure adequate preparation for 5G deployment.

\n

- Cellular Operators Association of India (COAI) is an association representing a large number of telecom firms including Airtel, Vodafone and Idea.

\n

- 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.

\n

- 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.

\n

\n\n

What is the way ahead?

\n\n

\n

- 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.

\n

- Also, India will stand to lose the 1st movers advantage

\n

- But if there is an auction this year, telcos would be forced to participate to stay competitive, which would further weaken their financial standings.

\n

- 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.

\n

- 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.

\n

\n\n

\n\n

Source: Business Standard

\n

