SPECTRUM ALLOCATION: ECONOMY

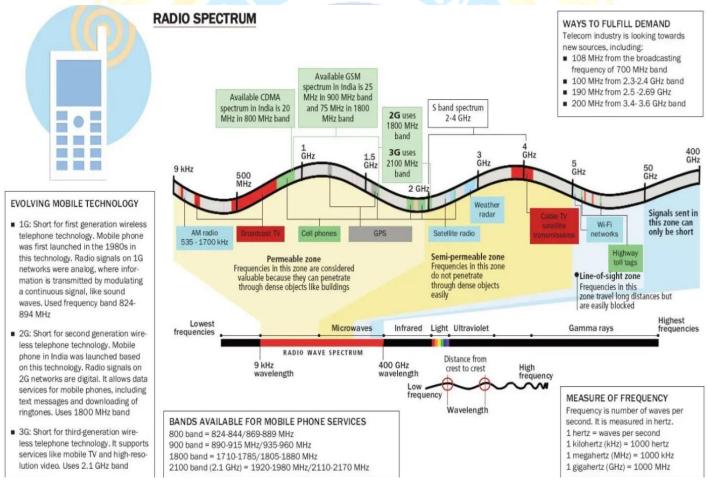
NEWS: India Allocates Satellite Communication Spectrum Administratively, Favoring Equity Over Auctions

WHAT'S IN THE NEWS?

Union Communications Minister Jyotiraditya Scindia recently confirmed that spectrum for satellite communication (Satcom) in India will be allocated administratively, not through an auction. This decision counters a proposal from Reliance Jio, advocating auction-based allocation.

Airwaves/Spectrum:

- Radio frequencies in the electromagnetic spectrum used for communication services like telecommunications.
- Governments allocate and auction spectrum to operators for consumer services.



Satellite Spectrum:

- Refers to radio frequencies used by satellites to communicate with ground stations, other satellites, and devices on Earth.
- Used for communication, broadcasting, navigation, and Earth observation.

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• Managed by the International Telecommunication Union (ITU) due to its international nature, meaning it cannot be auctioned by individual countries.

Legal Framework for Satellite Spectrum:

• Under the Telecommunications Act, 2023, satellite spectrum is allocated administratively, not auctioned, aligning with international norms.

Advantages of Satcom:

- Wider Coverage: Reaches remote and rural areas without the need for physical infrastructure.
- **Resilience**: Less vulnerable to damage from natural disasters.

Growing Satcom Sector:

• India's satcom market is expected to grow from \$2.3 billion to \$20 billion by 2028, with opportunities in rural broadband.

Auction vs. Allocation Debate:

- Terrestrial spectrum is auctioned and exclusive to specific operators, while satellite spectrum is shared, making administrative allocation more efficient.
- Countries like the US and Brazil have reverted to administrative allocation after experimenting with auctions for satellite spectrum.

Source: https://indianexpress.com/article/business/companies/allocating-satellite-spectrum-jio-vs-starlink-spat-avoid-auctions-9630931/