

## India defines broadband policy and rejects local loop unbundling

The Government of India will not intervene in the broadband market, according to its Broadband Policy released on 15 October 2004. The decision opposes previous recommendations from TRAI, the regulatory authority, in particular local loop unbundling. The Ministry of Communications and Information Technology seeks to adopt a competitive environment that reduces regulatory interventions.

In May 2004, TRAI recommended that the Government adopt various regulations in support of the development of Internet and broadband networks. These included local loop unbundling, reduced license fees for direct-to-home (DTH) operators, reduced spectrum fees for wireless broadband systems, and removal of restrictions for leasing satellite capacity. The Broadband Policy did not adopt any of these recommendations.

Instead, the Ministry recognizes that the last mile copper loop is not a “bottleneck facility” due to existence of alternative technologies such as cable and wireless. Hence, incumbent operators should not be required to share their networks. As an alternative, they will be allowed to establish commercial franchisee agreements with competitors.

In support of wireless technologies, the policy de-licenses the 2.40-2.48 GHz frequency band for low power outdoor communications, and the 5.15-5.35 GHz after consultation with Department of Space. Despite differing strategies from TRAI and Ministry, the policy maintains the same forecast of 20 million broadband subscribers by 2010; 200,000 were reported in first quarter of 2004.

Carlos Gomez  
G-REX Advisor

Source:

Broadband Policy 2004 (Ministry of Communications and Information Technology,  
Department of Telecommunications – 15 October 2004)  
<http://www.dot.gov.in/broadbandpolicy2004.htm>

Recommendations on Internet and Broadband (TRAI – 29 April 2004)  
<http://www.trai.gov.in/Recommendations%20on%20Internet%20and%20Broadband%202004-04-29%20FINAL.pdf>