

# Public Policy



## Policy Spotlight: India

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Every year we present the GSMA Government Leadership Award to one government that has implemented best-practice digital policy and telecom regulation to generate positive outcomes in mobile connectivity. The winner will be announced at the GSMA Ministerial Programme during MWC Barcelona. In the following weeks, we will alphabetically present the five shortlisted countries for the 2023 Government Leadership Award. We begin with India.

### **Market context**

Driven by expanded 4G coverage, India is home to some of the world's most affordable handsets and data plans. By 2025, India is projected to become the second-largest smartphone market in the world. However, historically, high regulatory and spectrum costs have impacted operators' ability to invest and innovate. Drawing lessons from the past, last year witnessed significant policy reforms by the Indian government in the mobile sector and broadband infrastructure development.

### **Policy or regulatory action**

The Indian government has undertaken several initiatives, such as amending

the Right of Way (RoW) policy, working towards a framework for small cell deployment on street furniture, and lowering the reserve price of spectrum in 5G auctions, among other significant policy reforms.

### ***Spectrum***

India's biggest-ever spectrum auction for 5G was held in July 2022. In total, 72 GHz spectrum was sold across ten spectrum bands. The government lowered reserve prices by 39% across the spectrum band. 71% of all spectrum on auction was sold for \$19 billion. All three mobile operators in India acquired spectrum in key 5G bands such as 700 MHz, 3.5 GHz and 26 GHz. To further support 5G rollouts, the government has also liberalised the spectrum cap limit for telecom operators, expanding their ability to hold more spectrum.

### ***Right of Way and small cell deployment***

In May 2022, the government launched the GatiShakti Sanchar Portal for centralised RoW approvals to facilitate the efficient deployment of network infrastructure. In August 2022, the Department of Telecommunications (DoT) amended the RoW rules to support faster 5G rollout, including the provision of street furniture for the deployment of small cells. Small cells are crucial to meeting the densification requirements of 5G.

### ***Digital inclusion***

The government has launched Digital India Programme, and digital skills and infrastructure readiness are considered top priorities. In 2022, the government announced several digital programmes, including digital currency, digital banking and digital university, designed to promote financial and social inclusion. India's innovative digital public services, collectively called India Stack, allow users to be authenticated from anywhere through India's unique Digital ID - Aadhar.

As per a recent report by Salesforce on [Global Digital Skills Index](#), India has emerged at the top of digital skills readiness (63 out of 100) among 19 countries surveyed, compared to a global index score of 33. Last year over 40% of India's real-time payment transactions took place through Unified Payments Interface (UPI). Similarly, [460 million new bank accounts](#) were

opened based on digital identity, making India a global leader in financial inclusion today.

Furthermore, the Telecom Regulatory Authority of India (TRAI) and DoT have been working with the GSMA on addressing key bottlenecks such as usage gap, which includes gender disparity in mobile phone ownership and usage, device affordability and digital literacy.

### ***Data governance***

The Indian government has introduced the latest Digital Personal Data Protection Draft Bill 2022 for the governance of personal data and the National Data Governance Framework Policy (NDGFP) for the governance of non-personal data and data sharing principles. The drafts are pending adoption this year.

### ***Manufacturing hub***

Under the broader initiative of Make in India and the National Policy on Electronics, the Indian government has set out to transform the country into a global manufacturing hub. Electronics manufacturing and mobile phones are a top goal.

### ***Climate action***

The government undertook pilot projects to develop green solutions for the Indian telecom sector. The focus was on cost reductions, power saving, energy efficiency, reducing associated carbon emissions, and utilising renewable power sources such as solar and wind energy.

### ***Collaborative efforts***

The technology centre of DoT has formed the India 5G Alliance, bringing together multiple players from industry and academia to undertake collaborative research on the development of local 5G deployment solutions. The Indian government has allowed recognised start-ups and SMEs to use a 5G test bed for free for a fixed period.

### **Why it is a good practice**

India is poised to become one of the largest 5G markets in the world in the

coming years. The recent reforms introduced by the government of India have been pro-competitive, incentivised innovation and investment, and enhanced consumer welfare.

Additionally, policymakers have issued timely consultations keeping pace with technological developments such as AI and Big Data, reforming the legislation governing the telecommunications sector, using embedded SIM, rating of areas for digital connectivity and many others. India's digital transformation journey has been remarkable.

According to a recent Reserve Bank of India report, "India's digital economy grew 2.4 times faster than the Indian economy in 2022." The G-20 presidency India assumed in December 2022 offers a valuable opportunity to lead governments globally in making digitalisation integral to nation-building efforts.

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