

To
Shri K Rajaraman (IAS)
Secretary DoT & Chairman DCC
Sanchar Bhawan
New Delhi-110001

January 24, 2023
ITU-APT/L/2022-23/499

Sub: Suggestions of the IAFI on TRAI's recommendations on 'Licensing Framework for Establishing and Operating Satellite Earth Station Gateway (SESG).

Ref:

1. Department of Telecommunications (DoT) letter dated 10.09.2021 seeking TRAI's Recommendations on licensing framework for establishment of satellite gateway.
2. TRAI's recommendations dated 29-11-2022.

Dear Sir,

We would like to take this opportunity to truly appreciate the timely initiative of DoT in requesting TRAI for recommendation to develop a new licensing framework for satellite gateway(s) operations encompassing aspects like license fee, entry fee, bank guarantee, NOCC charges and any other issue(s) which may be relevant for the LEO/MEO/HTS systems for providing low-latency broadband connectivity to everyone, especially in far remote/hilly, unconnected areas of the country, encouraging the unbundling of service provisioning with infrastructure creation as the same practice has been adopted by many administrations.

TRAI had submitted its recommendations to DoT on 29-11-2022 for further necessary action.

IAFI has carefully examined the TRAI recommendations and observed that a few recommendations need re-consideration, the same have been suggested through this letter.

1. TRAI Recommendation 2.37(c) "Whether such Earth Station license should be made available to the satellite operator or its subsidiary or any entity having a tie up with the satellite operator"

TRAI has recommended that "the SESG Licensee shall disclose complete details of terms and conditions of the contracts/ license agreements entered into with its parent/ associate company and/ or satellite system owner/ operator. This will also include the terms and conditions contained in contracts/ licenses issued by the Governments/ Authorities of the country where the parent/ associate company is registered and/ or carries on its business

prior to grant of license and before security clearance for establishing and operating Satellite Earth Station Gateways in India.”

Under this recommendation, the SESG company has to disclose not only the agreement signed with other satellite operators, but also has to provide all the terms and conditions contained in the license granted by other countries to the parent of the Satellite Operator. Further the Financial arrangements between them may not be relevant to the operation of the Indian company and these could be involve commercial confidential information.

IAFI therefore suggests the above clause 2.37 (c) should be changed as follows;

“The SESG Licensee shall disclose relevant details of terms and conditions (excluding financial and commercially sensitive details) of the contracts/ license agreements entered into with its parent/ associate company and/ or satellite system owner/ operator”.

Demanding irrelevant documents from a company willing to work as SESG, will needlessly complicate the issue and will be against the Government’s policy of “ease of doing business”.

2. TRAI Recommendation 2.41 “What mechanism/ framework should be put in place to regulate the access to satellite transponder capacity and satellite-based resources of a Satellite operator/Earth Station licensee by the service licensees so as to get the resources in a time-bound, transparent, fair, and non-discriminatory manner”?

TRAI has recommended that:

- a. The SESG Licensee shall offer satellite-based resources to the telecommunications and broadcasting service licensees/ permission holders in a transparent, fair and non-discriminatory manner.
- b. The SESG Licensee shall declare a Reference Offer on its website in order to ensure that the terms and conditions offered by the SESG Licensee to various telecommunication and broadcasting service licensees/ permission holders are fair, transparent, and non-discriminatory.
- c. The SESG Licensee shall provide an online portal wherein the eligible service licensees/ permission holders can make request for provision of satellite-based resources.
- d. The SESG Licensee shall provide the feasibility status, through the online portal, to the seeker service licensee/ permission holder clearly stating acceptance or refusal (with reasons thereof, in case of refusal) of the request within 30 days.

IAFI view is that while there should be a commitment to a fair and non-discriminatory treatment of service licensees/ permission holders, covered in para a) above, para b) above seems to ask for the disclosure of the financial terms of the offer also. This information is commercially sensitive and confidential and should not be publicly disclosed. In other words, financial details should be excluded

3. Recommendation 2.50 is regarding “Whether the Earth Station Licensee should be permitted to install baseband equipment also for providing satellite bandwidth to the service licensees as per need”?

TRAI has recommended that the service licensee/ permission holders, being served by the SESG Licensee, shall install their own baseband equipment at the SESG established by SESG Licensee. "Therefore, a SESG licensee cannot install its own baseband equipment".

However, IAFI is of the view is that the issue of who installs/maintains the baseband equipment should be best left to be decided between the two parties, due to the following reasons;

- (a) Some satellite systems require that the baseband equipment be owned and operated by only one entity Therefore, in case of multiple service licensees, the gateway operator (SESG) only can install & operate the baseband equipment and serve multiple license holders.
 - (b) As SESG has to install many gateways across the country, the quantum of spectrum that needs to be authorized for a given gateway also depends on the baseband equipment and it needs to be centrally managed by the SESG.
 - (c) SESG or the operating company should be allowed to decide as to who installs the baseband equipment, so that the services could be provided in terms of required Mbps or MHz
4. Recommendation 2.68 regarding “To whom should the frequency carriers be assigned: the Earth Station Licensee, or the Service Licensee, or whoever establishes the Satellite Earth Station”?

TRAI has recommended that the frequency spectrum (gateway-side spectrum, as well as user terminal side spectrum) should be assigned to the eligible service licensees/ permission holders as per the allocation of transponder bandwidth in the concerned satellite system. No frequency spectrum should be assigned to SESG licensees.

IAFI view is that this is not a practical recommendation because in many cases there will be multiple service licensees (either in the beginning or added later) and it would mean licensing the same spectrum for operation of the same antennas to multiple service licensees/ permission holders

Further, in some NGSO systems, the spectrum is assigned dynamically and flexibly and therefore there is no concept of transponder as such. In such cases, The SESG license holders need to manage the spectrum on their own. Therefore, it should be possible to authorize the SESG licensees to use of satellite spectrum.

Also in all cases, the SESG licensee needs its own authorization for using the spectrum for purely operational purposes for testing, installation, operations management , etc (i.e. not service provision) as appropriate (e.g. antenna testing, TT&C)

5. Regarding TRAI recommendations 3.8(c) – provisioning of VSAT services, condition of commissioning of five HUB along with 5 VSATs should be removed.

6. In addition, we would also like to add a few more additional points :
- i. to Rs One Lakh only, for entry of more and more players, as entry fee is only to judge the seriousness of the player.
 - ii. Performance Bank Guarantee: It will be appropriate to impose PBG amounting Rs Five Lakh for SESG License, for taking panel action for violating any clause of the license.
 - iii. Any service licensed company viz TSP/ISP-A, B or C category having contracts/license agreements with satellite operator should be eligible to apply for SESG.
 - iv. Regarding publishing of the guidelines by DoT, for companies willing to work as SESG, the detailed proforma and schedule for inspection must be published on the DoT website.
 - v. SARAL SANCHAR portal should be modified to accommodate SESG.
 - vi. Techno-commercial obligations should be simple and cost effective in order to encourage ease of doing business & ensuring investments.

Warm Regards,



Bharat B Bhatia,

President, ITU-APT Foundation of India

Vice Chairman - Asia Pacific, World Wireless Research Forum (WWRF)

Chairman, ITU-R WP5D SWG IMT Applications

Chairman, AWG Task group on PPDR

504, World Trade Center, New Delhi-110001

Phone: +919810173737