

India's exclusion of China from its 5G trial could shape the future of global 5G standards

Article

India's telecom ministry **announced** it has approved telecoms to begin a six-month trial of 5G uses and applications using technology from more than a dozen vendors spanning multiple

countries. The trials—which would **include** equipment from Ericsson, Nokia, Samsung, and other vendors—are meant to test 5G phones and devices, “indigenous” home-grown 5G solutions, and 5G-intensive applications like telemedicine, virtual education, extended reality, and drone-based agricultural monitoring. India will reportedly grant the firms multiple bands of experimental spectrum which they will test in rural, urban, and semi-urban settings. Notably absent from the trials: Huawei and ZTE. That’s despite **previous** pleas from telecom operators who argued the inclusion of the Chinese vendors was necessary to ensure smooth, efficient 5G trials.

India wants to become a world leader in 5G following slow rollouts of previous generations. Two-thirds of countries worldwide had **already** launched 4G networks by the time India launched its own in 2016. With 5G, on the other hand, Indian operators have **already** spent years modernizing and upgrading their networks ahead of the curve. Meanwhile, Indian officials are communicating with foreign governments on 5G standards. Just last month, European Commission EVP Margrethe Vestager **told** Bloomberg the EU would discuss working with India to establish global 5G security standards, calling the world's second-most **populous** country a “democratic partner.”

An expected surge of mobile subscribers makes India an area of explosive growth for 5G. By 2025, GSMA Intelligence **predicts** India will have the second-largest global smartphone market after China. India’s mobile broadband subscriptions are expected to reach more than 1.2 billion by 2026, **per** a 2020 Ericsson report. Of those 1.2 billion, Ericsson forecasts that 5G subscriptions—which made up less than 1% of India’s total mobile subscriptions in 2020—will account for nearly 27%. All this projected growth represents an enormous opportunity for telecom companies looking to capitalize on 5G’s emergence in one of the world’s fastest-growing markets.

India’s choice in 5G vendors could shape the global 5G standard. India’s choice to **exclude** Chinese vendors from its 5G trial mirrors similar actions from the **US**, **UK**, and **Australia** and comes on the heels of **mounting** political **tensions** between Asia’s two largest countries. The decision to turn away from Chinese vendors could play a pivotal role in the ongoing global tech **battle**—**between** China on one end, and the US and EU on the other—to define the standards for 5G. Thanks to its sheer size and future market share potential, India’s vendor decision possesses the ability to shift global network operating standards and influence the vast geopolitical **considerations** associated with 5G more than any other country.

Mobile Connection Share Worldwide, by Region/Country and Network Speed, 2019 & 2023

% of total

	India	China	Rest of Asia-Pacific	Eastern Europe	Western Europe	Latin America	North America
2019							
2G	34%	14%	24%	21%	12%	17%	3%
3G	11%	5%	33%	40%	25%	33%	9%
4G	55%	81%	42%	38%	63%	50%	88%
5G	-	-	-	-	-	-	-
2023							
2G	13%	-	5%	3%	-	8%	-
3G	3%	-	18%	19%	5%	21%	2%
4G	78%	49%	65%	63%	59%	66%	44%
5G	7%	51%	12%	15%	35%	6%	54%

Note: numbers may not add up to 100% due to rounding

Source: Counterpoint Technology Market Research as cited in blog post; eMarketer calculations, July 23, 2020

258796

eMarketer | InsiderIntelligence.com