

For Immediate release

Telecom Regulatory Authority of India

TRAI releases recommendations on 'Improving Telecom Infrastructure in Northeastern States of India'.

New Delhi, 22nd September 2023 – The Telecom Regulatory Authority of India (TRAI) has today issued its recommendations on '*Improving Telecom Infrastructure in Northeastern States of India*'.

TRAI has been consistently working on improving telecom infrastructure in remote, hilly, and high-altitude terrain areas of the country. Earlier, TRAI had also made some key recommendations to the government for improving telecom connectivity in remote and far-flung regions of India

2. Although a number of initiatives have been taken by the Government of India to improve telecom connectivity in the northeastern states, there is still a lack of high-speed mobile-based internet and fixed broadband connectivity, mainly due to the inadequate transmission bandwidth (OFC/Microwave/Satellite). The Northeast states continue to grapple with a significant digital divide due to various reasons such as Inhospitable Terrain Conditions, Poor Availability of Power Supply, Transmission Media Related Limitations, Poor Return of Investment (RoI) prospects for TSPs, an, Right of Way (RoW) related issues. This divide hampers the region's socio-economic growth, restricts access to essential services and information, and exacerbates the developmental gap between the Northeast and the rest of the country.

3. The Authority *suo-moto* held extensive consultations and interactions (including meetings, progress reviews, field visits, etc.) with major stakeholders to assess the current status of telecom infrastructure, issues in its deployment, and the policy measures required for further improvement to provide seamless connectivity to all the residents of the Northeastern States. Based on the aforementioned consultations, the Authority has formulated the subject recommendations with an aim to enhance telecom infrastructure in the NER, bridge the digital divide, unlocking economic potential, overcome geographical challenges, foster collaboration, and ensure national security. These recommendations will greatly strengthen the region's

telecom backbone, enabling seamless communication, efficient surveillance, and effective border coordination.

4. The salient features of the recommendations are as follows: -

- (i)** Engage with respective state governments of Northeastern (NE) States including Sikkim to

 - a.** Harmonize their respective state RoW policy in line with "The Indian Telegraph Right of Way Rules, 2016" and its amendments thereon at the earliest.
 - b.** Implement exemption of Right-of-Way (RoW) Charges in Rural, Tribal and Hilly Regions for a duration of five years.
 - c.** Implement waiver of the additional 25% 'Tribal Development Charges' being imposed upon TSPs wherever applicable in the NE states including Sikkim.
 - d.** Facilitate creation of enabling provisions in their policy to expedite accord of environmental clearance to TSPs for installing Mobile towers and DG sets for tower locations.
- (ii)** State Governments of NER including Sikkim should:

 - a.** Provide electricity to telecom sites as a priority (within 15 days of connections request) at Utility/Industrial tariff.
 - b.** Waiving off or subsidizing last mile installation charges for extending electricity connection to telecom sites in remote and hilly areas.
 - c.** Respective State Electricity Regulatory Commissions (SERCs) to spell out utility tariffs which should be lower than the Industrial tariff. Telecom Service/Infrastructure Providers should be subjected to such utility tariffs only.
- (iii)** USOF should continue to provide full reimbursement support for installing solar backup at such USOF funded sites that do not have any power connectivity and are running on DG sets only.
- (iv)** MNRE and concerned state Government should come up with a scheme (in line with Central Financial Assistance for RWA/GHS under Roof Top Solar Program Phase-II) to fund installation of renewable energy sources at all important (existing and new) strategic telecom sites in remote hilly areas immediately.
- (v)** DoT/USOF should immediately provide CAPEX subsidy on viability gap funding (VGF) model through competitive bidding process for OFC backbone connectivity on ring topology (of commensurate bandwidth with add-drop facility at each BHQ) from DHQ or State Capital to all the 119 BHQ which have no OFC connectivity.
- (vi)** USOF to fund the operation and upkeep of network so created initially for 5 years on SLA model, beyond which a decision can be

taken for further continuation of operational subsidy depending on uptake of services in these BHQs.

- (vii)** Encourage consortium of IP-I, proposed DCIPs (refer TRAI "Recommendations on 'Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorization under Unified License (UL)' dated 08 August 2023) and TSPs to participate in the bidding process.
- (viii)** DoT field units should be entrusted with the task of project monitoring for timely completion of the projects.
- (ix)** To make the 4G saturation project more impactful, the Authority recommends that:

 - a.** In the first phase, in consultation with respective state governments of NER including Sikkim, priority should be given to all such uncovered/non-4G villages which have Schools, Health Centres, Police Stations, Post Offices, Ration Shops, Anganwadi Centres, etc. irrespective of the population of the village.
 - b.** Next priority shall be given to all other villages with populations of 250 or more, and all the locations planned for improvement in highway 4G coverage.
- (x)** DoT/USOF should get survey done of all villages in NE states including Sikkim and additional sites should be planned and installed in such villages which have partial coverage or where part of village falls in shadow zones.
- (xi)** DoT must engage with the Department of Expenditure to extend the execution timeline for projects proposed by states under the 'Special Assistance to States for Capital Investment for FY 2022-23' scheme especially Part V which involves the scope of extending last mile connectivity using OFC. The proposed extension should be a minimum of 2-3 years, aligning with the timelines provided for similar USO funded projects.
- (xii)** The Authority recommends that:

 - a.** Centre should provide budgetary assistance in the form of grant to the states (including those in NER) only for the purpose of assisting certain village level government institutions in obtaining a BharatNet connection, procuring digital communication devices, and covering the monthly usage charges for connectivity.
 - b.** The grant should be divided in proportion of 25:75 wherein the 25% of the grant should be used by these institutions for procuring terminal end digital communication devices and 75% of the grant should be utilized for paying the cost of connectivity and monthly usage charges thereof to BSNL.

- c. For each State BSNL should raise a consolidated monthly bill to the State Government. BSNL should raise bill only for such connections where there is an incremental meter reading or data has been used during the month. The payment from State Government to BSNL should be centralized and should not be delayed on account of verification. Any verification, if required, should be done post-facto or through a centralized online mechanism.
- d. DoT may consider the above recommendations for implementation in other states as well for utilization of BharatNet project. The percentage of Central grant to be given to other states may be appropriately decided by DoT.

- (xiii) DoT should take up with Ministry of Defence (MoD) for allocation of one/two pair of OFC of NFS network to BSNL for extending telecom coverage (including broadband services) to the villages located in far-flung or border areas of the NE states under BharatNet project. In case the same is not feasible, MoD may be approached to allocate suitable bandwidth on its existing functional OFC to extend the telecom coverage to such villages.
- (xiv) Immediate formation of a District Level Committees as already recommended vide 'Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed' dated 31.08.2021. Online meetings of these Committees should be held every month to monitor and evaluate the progress of telecom infrastructure deployment.
- (xv) In line with recommendations made earlier vide "Improving Telecom Coverage and Backhaul Infrastructure in far-flung areas of Ladakh" dated 24.04.2023, the Authority recommends that-
 - a. All operating TSPs in NER including Sikkim having their backhaul transmission media must provide, on fair and non-discriminatory terms and conditions, access to their spare backhaul transmission media resource capacity via lease/ rent or on mutually agreeable terms and conditions, to any eligible licensed TSP/ ISP including implementing agencies of ongoing and futuristic USOF projects, who seeks access to such resource.
 - b. A committee headed by a Senior officer from DoT field unit of the respective state/LSA level, and also involving suitable representative(s) of all operating TSPs of the NER LSAs including Sikkim be formed at the earliest to help resource pooling across TSPs for optical fibre-based ring formation, and to periodically review and resolve such representations at state/LSA level.

- (xvi)** Earlier recommendation made vide 'Use of Street Furniture for Small Cell and Aerial Fibre Deployment' dated 29.11.2022 is reiterated stating that "the charges paid by lessee (a TSP) to any lessor TSP for use of spare backhaul media transmission resource capacity of the latter, should be reduced from the Gross Revenues of the lessor TSP to arrive at Applicable Gross Revenue (AGR) of such Lessor TSP.
- (xvii)** Considering the analysis made on the provision of satellite backhaul to mobile tower sites in remote and difficult to access locations in NE states including Sikkim, the Authority makes the following recommendations:
- a.** In lines with its earlier recommendations on "Improving Telecom Connectivity/ Infrastructure in far-flung areas of Himachal Pradesh" dated 12.12.2022 DoT should do a site-wise analysis of all such sites that are being run by any TSP on VSAT in remote and hilly areas of NER. The entire operational costs of running the sites that serve strategic or service delivery needs of the govt. should be borne by the govt.
 - b.** 100% reimbursement on account of the satellite link charges shall be made by USOF/DoT to BSNL against 4G Saturation Project for all the links for the entire duration of the maintenance agreement i.e., for 5 years in place of the present formula-based duration as made in the agreement.
 - c.** Subsidies on account of the satellite links shall be given by USOF/DoT to TSPs against the 4G coverage Project for the entire duration of the maintenance agreement i.e., for 5 years in place of 2 years as made in the agreement.
- (xviii)** Earlier recommendation made vide "Improving Telecom Services in the Northeastern States: An Investment Plan" dated 26.09.2013 is reiterated, which states that "USOF/DoT should ensure compliance to stringent timelines in USO funded projects. USOF should built in severe penalty clauses for delays in its agreements with the agencies implementing the project. At the same time, USOF should also incentivize executing agencies in case the work is completed before the stipulated timeframe."
- (xix)** DoT should provide connectivity and 4G coverage at forward post locations of SSB/ITBP/Army/BSF on priority. The same has been communicated to DoT vide its DO letter No. G-17/(41)/2023-NSI-I dated 14.07.2023.
- (xx)** DoT should initiate actions on priority on all the points related to Sikkim, as mentioned in TRAI's DO Letter No. M-5/9/(4)/2021-QoS dated 07.10.2022, as these points mentioned are also equally

relevant for all other NE states and therefore should also be implemented for all NE states at the earliest.

5. The recommendations have been placed on TRAI's website www.trai.gov.in.

6. For any clarification/information, Shri Sanjeev Kumar Sharma, Advisor (Broadband and Policy Analysis) TRAI may be contacted at Tel. No. +91-11-23236119.


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