

**DIPAs response to TRAI Consultation Paper on “The Framework on Service Authorization to granted under the Telecommunications Act, 2023”**

**PREAMBLE**

1. At the outset, we would like to thank TRAI to bring out this Consultation paper on “**The Framework on Service Authorization to granted under the Telecommunications Act, 2023**” on 11<sup>th</sup> Jul 2024 and giving us an opportunity to provide our response / comments on the same. We appreciate the Authority for its constant efforts for the growth of digital infrastructure in the Country which carries utmost importance in a fast-digitizing nation like ours.
2. The rapid evolution of technology and the dynamic nature of the telecom industry necessitate a regulatory framework that is robust, transparent, and conducive to innovation. The current regulatory landscape under the Telecommunications Act, 2023, provides the foundation for granting authorizations and licenses for various telecom services. However, there is a need to periodically review and update these regulations to align with technological advancements, market dynamics, and consumer expectations.
3. The consultation paper seeks to gather feedback from stakeholders to develop a comprehensive framework for issuing telecom service authorizations under the new Act.
4. The consultation paper aims to simplify the authorization process, reducing the administrative burden on service providers and ease of doing business. **This includes potentially issuing authorizations directly to applicants, as practiced internationally, rather than through a detailed license agreement.**
5. The consultation paper proposes merging several existing authorizations into unified categories. For example, National Long Distance (NLD) and International Long Distance (ILD) authorizations might be combined into a single long-distance service authorization.
6. There is also a proposal to merge the Global Mobile Personal Communications by Satellite (GMPCS) and commercial Very Small Aperture Terminal (VSAT) Closed User Group (CUG) service authorizations into one.
7. **Similarly, there is proposal to combine the existing infrastructure provider-I (IP-I) and digital connectivity infrastructure provider (DCIP) authorizations into a single authorization.**
8. **As per clause no 1.37 3 6(b) of Enactment of the Telecommunications Act, 2023 where a definite validity period is not given, shall be entitled to continue to operate on the terms and conditions of such licence or registration or permission for a period of five years from the appointed day, or to migrate to such terms and conditions of the relevant authorisation, as may be prescribed.**

**DIPA’s Response: It is pertinent to mention that creation of the infrastructure by IP-1 is capital intensive and time consuming. It is created for our clients who are Section 4 licensees, and this infrastructure is created for forever / lifetime. Therefore, no validity period needs to be defined. Hence, it is suggested that the validity period of 5 years, as per above clause, should be deleted.**

9. In this consultation paper, TRAI seeks views on necessary safeguards to ensure long-term regulatory stability. This includes exploring if the government should

**issue an authorization directly to applicants, following international practices, instead of the current practice of entering into a license agreement.**

10. This Consultation Paper covers a wide range of topics related to service authorization, including:
  - Types of authorizations/licenses required for different telecom services.
  - Criteria and eligibility requirements for obtaining authorizations.
  - Compliance and reporting obligations for authorized entities.
  - Spectrum management policies and considerations.
  - Measures to foster innovation and encourage the deployment of advanced technologies.
  - Consumer protection measures and mechanisms for ensuring fair competition.
11. This consultation paper seeks industry input on various aspects, including terms and conditions, fees, validity periods, and the scope of services for telecom authorizations.
12. **The regulator has sought comments from the stakeholders by August 1, and counter-comments by August 8, 2024.**
13. Post response from all stakeholders, TRAI will provide recommendations on service authorisation.

**Overall, this consultation paper brings out the Framework on Service authorization which will play a crucial role in shaping a competitive and consumer-friendly telecom market while supporting technological advancement, economic growth and digital inclusion.**

**Our Question-wise response to TRAI Consultation Paper is as follows:**

**Q.1 to Q. 12**

**DIPA's Response:** No comment as these questions is related to granting authorization by TSPs / ISPs / NLD / ILD etc and are not related to Telecom Infrastructure providers.

**Q13. Whether there is a need for merging the scopes of the extant Infrastructure Provider-I (IP-I) and DCIP authorization (as recommended by TRAI) into a single authorisation under the Telecommunications Act, 2023? Kindly provide a detailed response with justifications.**

**DIPA's Response:** First and foremost, we would like to clarify that the information provided in the above question, specifically regarding "merging the scopes of the extant Infrastructure Provider-I (IP-I) and DCIP authorization (as recommended by TRAI)," is not accurate. According to the information available to us, no such recommendation has been made by TRAI. While TRAI recommended the creation of the new DCIP category, the merging of the scopes of IP-I and DCIP was neither discussed, agreed upon, nor mentioned. Therefore, we request the authority to treat IP-I and DCIP as separate categories. With this clarification in mind, our response is as follows:

**IP-I providers** are entities that establish, maintain, and lease out passive infrastructure such as towers, dark fiber, ducts, and other physical structures to telecom service providers (TSPs).

Although DCIP providers include a broader range of infrastructure services, potentially encompassing both passive and active elements, DCIP providers and IP Providers are two

different entities. **Therefore, it is submitted that IP and DCIP should not be merged into single authorization and IP should continue in its present form.**

We would further submit that the IP1 who are registered long time back have stood the test of time and created a huge infra structure with minimum regulatory and light touch intervention and compliance framework. As a result, the IP1s have created the benchmark by creating a huge infra structure and brought sharing model which is being emulated globally. This approach has worked as a key enabler towards the success of the telecom infrastructure sector.

IP1s core job is to manage Power & Space which requires a unique skill set. Take example of Power Sector where, to bring in the focus & efficiency, unbundling of GenCo, TransCo & Discom has been done. Bundling has its own cost of inefficiency & lack of focus. Therefore, the merger of two entities is not a good solution.

While we are moving towards 5G, 6G onwards, densification of Telecom infra is resulting into shift from sharing with TSPs to sharing with other utility providers i.e. sharing of Street Furniture.

IP1 needs to closely & jointly work with other utility infra providers to create integrated, aesthetically better skyline infrastructure & remain focused over it.

The DoT *vide* notification no.10-12/2012-CS-III dated June 27, 2024 has amended the scope of the IP-1 registration stated in Clause 1 of the registration certificate to (i) include 'poles' in the list of assets that can be established and maintained by an infrastructure provider; and (ii) include a covenant whereby the holder of IP-1 registration shall not enter into any exclusive contract for establishing the infrastructure (under the scope of IP-1) or Right of way with any public entity or any person.

In this regard, we submit that the IP1 have created a huge sharable infra structure therefore we should be allowed to enter exclusive contract with the CAA and property owner. (reference Clause 2.7 of **TRAI's recommendations on 'Introduction of DCIP under Unified License (UL)'** which prohibits exclusivity).

We humbly submit that the IP-1s have to enter into exclusive contracts to ensure that their investment is protected and can be recovered over a period of time while following the sharing methodology with the clients /TSPs on mutually agreed commercial terms.

Prohibiting IP-1s from entering exclusive contracts with property owners/managers/CAAs will defeat the very concept of Infrastructure sharing. Creating multiple sharable Infrastructure at same place will result in wastage of resources e.g. constructing multiple towers at same roof by different IPs for different operators.

Therefore, in view of the above, there is a need for continuity of exclusive agreement between IP and property owner and the existing amendment to be rolled back by the DOT.

**It is strongly emphasized that IP-1 permission should continue in its present form and we as IP strongly recommend not to pursue any proposals of merger of DCIP and IP.**

**Q14. In case it is decided to merge the scopes of the extant IP-I and DCIP (as recommended by TRAI) into a single authorisation under the Telecommunications Act, 2023, -**

- (a) What should be the scope under the proposed authorisation?**
- (b) What terms and conditions should be made applicable to the proposed authorisation?**

**Kindly provide a detailed response with justifications.**

**DIPA's Response:** No comment as we are not in favour of merger of scope of IP-1 and DCIP and emphasized that IP-1 should continue in its present form.

**Q15. Whether there is a need for clubbing the scopes of some of the other authorisations into a single authorisation under the Telecommunications Act, 2023 for bringing more efficiency in the operations? If yes, in your opinion, the scopes of which authorisations should be clubbed together? For each of such proposed (resultant) authorisations -**

- (a) What should be the scope of the service?**
- (b) What should be the service area?**
- (c) What terms and conditions (technical, operational, security, etc.) should be made applicable?**

**Kindly provide a detailed response with justification.**

**Q16. Whether there a need for removing some of the existing authorizations, which may have become redundant? If yes, kindly provide the details with justification.**

**Q17. Whether there is a need for introducing certain new authorisations or subcategories of authorisations under the Telecommunications Act, 2023? If yes, -**

- (a) For which type of services, new authorisations or sub-categories of authorisations should be introduced?**
- (b) What should be the respective scopes of such authorisations?**
- (c) What should be the respective service areas for such authorisations?**
- (d) What terms and conditions (general, technical, operational, Security, etc.) should be made applicable for such authorisations?**

**Kindly provide a detailed response with justifications.**

**Q18. In view of the provisions of the Telecommunications Act, 2023 and technological/ market developments, -**

- (a) What changes (additions, deletions, and modifications) are required to be incorporated in the respective scopes of service for each service authorisation with respect to the corresponding authorizations under the extant Unified License?**
- (b) What changes (additions, deletions, and modifications) are required to be incorporated in the terms and conditions (General, Technical, Operational, Security, etc.) associated with each service authorisation with respect to the corresponding authorizations under the extant Unified License?**

**Kindly provide a detailed response with justifications.**

**DIPA's Response:** No comment as they are talking about all services.

**Q. 19 to 22:**

**DIPA's Response:** No comment as these questions are related to VNO etc.

**Q.23 In view of the provisions of the Telecommunications Act, 2023 and market developments, whether there is a need to make some changes in the respective scopes and terms and conditions associated with the following service authorisations, recently recommended by TRAI:**

**(a) Digital Connectivity Infrastructure Provider (DCIP) Authorization (under Unified License)**

**(b) IXP Authorization (under Unified License)**

**(c) Content Delivery Network (CDN) Registration**

**(d) Satellite Earth Station Gateway (SESG) License**

**If yes, kindly provide a detailed response with justifications in respect of each of the above authorisations.**

**DIPA's Response:** As mentioned in our response to Q 13, we don't support and recommend any merger between IP and DCIP.

**Q24. In view of the provisions of the Telecommunications Act, 2023 and market developments, any further inputs on the following issues under consultation, may be provided with detailed justifications:**

**(a) Data Communication Services Between Aircraft and Ground Stations Provided by Organizations Other Than Airports Authority of India.**

**(b) Review of Terms and Conditions of PMRTS and CMRTS Licenses; and**

**(c) Connectivity to Access Service VNOs from more than one NSO.**

**DIPA's Response:** No comment.

**Q. 25 to 44:**

**DIPA's Response:** No comment as these questions is related to migration of the existing licensees to the new authorisation regime, to enhance the scope of Internet Service authorization / merge the scopes of NLD & ILD Service authorization and GMPCS & Commercial VSAT CUG Service authorization, clubbing the scopes of / Introduce certain authorizations and VNO.

**Q.45 In case it is decided to merge the scopes of the extant IP-I Registration and the Digital Connectivity Infrastructure Provider (DCIP) authorization into a single authorization under the Telecommunications Act, 2023, what should be the: -**

**i. Amount of application processing fees**

**ii. Amount of entry fees**

**iii. Any other Fees/Charge**

**iv. Minimum equity and net worth etc. of the Authorised entity.**

**Please support your response with proper justification.**

**DIPA's Response:** No comment as we are certainly not in favour to merge the scopes of the existing Infrastructure Provider-I (IP-I) Registration and the Digital Connectivity Infrastructure Provider (DCIP) authorization into a single authorization.

**Q. 46 to 61:**

**DIPA's Response:** No comment as these questions are related to CMRTS.

**CONCLUSION**

The process invites inputs from all stakeholders including industry, and academia to develop recommendations that will shape the industry and ensure its competitiveness and sustainability.

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