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U.S.- India Business Council

April 25, 2017

Mr. Sanjeev Banzal
Advisor (Networks, Spectrum & Licensing)
Telecom Regulatory Authority of India (TRAI)
New Delhi, India

**Subject: USIBC Recommendations in Response to TRAI Consultation
Paper on the "Ease of Doing Telecom Business in India"**

Dear Mr. Banzal,

The US-India Business Council (USIBC) applauds the Telecommunications Authority of India (TRAI) for its commitment to light-touch regulation and pro-growth digital policies embodied by the Prime Minister's *Digital India* vision. Our digital economy members represent global Indian and American, large and small from the telecommunications, equipment manufacturing, ecommerce, and cybersecurity sectors. USIBC members also include a large number of financial investors and information and communications technology (ICT) providers to the financial, health, transportation, and logistics industries. Across these sectors, USIBC and our members are committed to the success of *Digital India* and related initiatives such as *SmartCities*, *Make-In-India*, *Skilling India*, *et al.*

I write to you in reference to TRAI's consultation paper seeking stakeholder inputs on the "Ease of Doing Telecom Business in India" dated 14th March 2017. Our recommendations pertain to:

- General Recommendations;
- Telecom Resources;
- Administrative Allocation of Spectrum; and,
- National Security.

I thank you for your consideration of our positions and recommendations. Please free to contact me or USIBC staff to support your office on this and other aspects of the *Digital India* initiative.

Sincerely,

Dr. Mukesh Aghi
President
U.S.-India Business Council

cc: Mr. Amitabh Kant CEO, National Institution for Transforming India (NITI) Aayog
Mr. Shri Manoj Sinha, Honorable Minister of State for Communications

General Recommendations

- USIBC recommends that TRAI adopt a glide path towards light-touch regulation and delicensing in order to unshackle and liberate the telecom industry in line with evolving market and technology characteristics.
- USIBC underscores that light-touch regulation and delicensing minimizes costs, strongly positions India within the global ICT ecosystem, and quickens the pace of infrastructure investment.
- USIBC commends TRAI for recommending light-touch regulations in its *Recommendations on Public WiFi* and believes such an approach should underscore the recommendations emerging from current and future consultation as well.
- USIBC advocates for policy that provides technology neutrality, service neutrality, operational flexibility, and minimal regulatory compliance. Policy must keep up with the rapid and evolving technology lifecycles inherent in the telecom sector.
- USIBC reiterates its previous recommendations on machine-to-machine (M2M); and, V, E, and 5 GHz spectrum bands. USIBC urges TRAI to issue enabling policies for these services consistent with a philosophy of light-touch regulation and minimal licensing requirements.

Demonstration licenses

- The process to issue a “Demonstration License” should be streamlined and simplified to ensure the license is granted immediately based on the documents requested from the event organizer or user. In addition, a Demonstration License should be granted by the relevant regional licensing office (RLO) of the Wireless Planning Coordination (WPC).

Administrative Allocation of Spectrum

- Captive Mobile Radio Trunking (CMRTS) networks are extensively used by state, and city police, airports, metros, refineries, industrial plants, etc., for their communications needs. The current application process for license/spectrum is quite lengthy, iterative and complex without any fixed timelines for completion of each task. For example, there are spectrum/license cases pending for more than a year. USIBC recommends that the process should be reviewed and optimized to include a ‘hard stop’ timeline defined for completion of each task, as well as the overall application process.
- The entire application process is still largely paper based, and could be digitized with approvers given a defined timeline to review it and approve electronically. This would also bring transparency and reduce processing time.
- It takes between 9 to 18 months to sign a simple CMRTS agreement. The Department of Telecommunications (DOT) should review the current process and remove unnecessary steps to reduce the duration from application to signing of CMRTS agreement to 2 months. This would be a big reprieve to police, institutional and industrial users.
- Although the DOT CMRTS spectrum application process is on-line, the overall process requires hardcopy submission, and thereafter the entire process is not transparent, non-standard and arbitrary. The time taken to complete this process is also anywhere between 3 months to 9 months. Suggestions to improve this process are below:

- Put the entire WPC application on-line without dependencies for hard copy submission.
- The process should be clear, and the status of applications should be visible on-line rather than the desk-to-desk follow-up needed currently. This would bring transparency and would reduce processing time.
- Administrative allocation of CMRTS spectrum needs to be streamlined, and a clear policy must be framed and enforced. Currently, allocation of frequencies for captive users gets interrupted from time-to-time, and extensions should be implemented on a timely basis to ensure continuity of service.
- There should be zero or minimal charges levied only to recover spectrum/administrative cost with an inter-ministerial arrangement in place for charging spectrum users in the government through appropriate book transfers.

Telecom Resources

- Telecommunications service providers (TSPs) should be required to provide telecom resources (interconnection, E.164 numbering, internet protocol (IP) address, signaling point codes, etc.) to facilitate experiments at a fair and non-discriminatory price, assuming the applicant follows guidelines to ensure no harm or security breach.

National Security

- The government should avoid overly broad or blanket norms related to national security requirements, and put in place rules that are reasonable and proportionate, e.g., objective standards such as minimum distance of 10 kms from the border with specified power limits should adequately address national security concerns.