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For Immediate release

Telecom Regulatory Authority of India

TRAI Releases Recommendations on “Improving Telecom Services in the North Eastern States: An Investment Plan”

New Delhi, 26th September, 2013 - The Telecom Regulatory Authority of India (TRAI) today issued its recommendations on **“Improving Telecom Services in the North Eastern States: An Investment Plan”**.

On 22nd April, 2013, the Department of Telecommunications (DoT) requested Telecom Regulatory Authority of India (TRAI) to carry out a gap analysis and prepare an investment plan for providing quality telecom services in the North Eastern States. The intention was to formulate a comprehensive telecom plan for revamping and augmentation of telecom services in North Eastern Region,

The North Eastern Region (NER) comprises the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. The region is characterized by extremely tough terrain with relatively poor infrastructure, such as rail, roads, electricity and telecom. Attempts have been made in the past to increase telecom connectivity and teledensity in the region. However, the results so far have not been very encouraging. As on May, 2013, of the eight States in the NER, teledensity in five States is below the national average wireless teledensity of 70%. Similarly, in four States, namely, Arunachal Pradesh, Manipur, Meghalaya and Mizoram, the percentage of villages not having mobile coverage ranges from 55.9% to 24.3%. This is very high when compared with most other States where the percentage of uncovered villages is less than 10%.

To assess the present status of telecom infrastructure and the gaps in the NER, detailed consultation was held with various stakeholders, namely, Universal Service Obligation Fund Administrator (USOFA), Telecom Service Providers (TSPs) operating in the NER, Public Sector Undertakings entrusted with laying optical fibre cable in the NER viz. BSNL, Railtel and PGCIL. As the State Governments are vitally important stakeholders in this exercise, four teams of senior officers of TRAI met the Chief Ministers and top-level State Government officers of some the NER States to understand their perspective and concerns about the telecom infrastructure in their States.

The Authority's recommendations are grounded in three main constituents:

- (a) The Gap Analysis;
- (b) The State-wise suggested telecom plans;
- (c) The estimation of investment required for implementation of the suggested overall plan.

The gap in telecom infrastructure essentially falls under four categories. These are:

- (a) The desired bandwidth and existing transmission bandwidth at the State Capital and District Head Quarters;
- (b) The minimum required infrastructure and existing infrastructure to support basic 2G mobile coverage;
- (c) The desired infrastructure to have 'state-of-the-art' connectivity for data and the existing infrastructure, and
- (d) The desired connectivity and existing connectivity across National Highways passing through the States.

The gap analysis for telecom infrastructure and services in the NER has been done in terms of the above four categories and, accordingly, the investment required has been worked out.

In these recommendations:

- Keeping in view the future bandwidth required for broadband in the NER, the core network has been strengthened to provide connectivity with redundancy/diversity between all State capitals and State capitals and the District Headquarters.
- Investment has been estimated for providing 2G mobile coverage in towns and villages having population of more than 250 persons;
- As the penetration of 3G services is very poor in NER, initially it has been planned to provide 3G services in all urban areas in the NER;
- In addition, the Authority has also recommended investment requirement for providing seamless connectivity along all National Highways in the NER.

The overall investment required for implementing the envisaged plan in the NER States has been estimated to be approximately Rs.2918 crores. The recommendations also contain certain policy and supporting action that would be necessary for successful implementation of this programme. Some of these are:

- (i) Discount of 2% of AGR of license fee to TSPs who cover at least 80% of the habitations with a population of 250;
- (ii) Providing subsidy from USO Fund for bandwidth charges through satellite connectivity;
- (iii) Subsidy for installation of solar power units at telecom towers;
- (iv) PGCIL and BSNL to lease their dark fibre to other TSPs and also to reduce their bandwidth leasing charges in the NER to make them comparable to those charged in other parts of the country;
- (v) The TSPs in the NER to enter into inter and intra circle roaming agreements amongst themselves within a period of six months for all the BTS along the National Highways passing through NER States;

(vi) State Governments to ensure –

- (a) Availability of commercial power for BTSs on priority;
- (b) Provide land and Government buildings for erection of BTS;
- (c) Rescind the levy of taxes/charges on the use of diesel generators (DGs) by TSPs;
- (d) To allow pulling of Optical Fibre Cable on transmission towers/poles of state electricity boards;
- (e) To facilitate availability of sufficient diesel supply to the TSPs particularly during bandhs/strikes;
- (f) Whenever the BTSs are running on DG sets they are able to run round-the-clock so that the people get uninterrupted telecom connectivity;
- (g) Set up a single-window clearance system for all telecom related clearances/NOCs like pollution/noise control certificate, environment clearance, site acquisitions, commercial power supply etc.

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

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