

Information note to the Press (Press Release No. 22/2015)

For Immediate Release

Telecom Regulatory Authority Of India

TRAI releases “Consultation Paper on Regulatory Framework for Over-the-top (OTT) services”.

New Delhi, 27th March, 2015: The Telecom Regulatory Authority of India (TRAI) today issued the “Consultation Paper on Regulatory Framework for Over-the-top (OTT) services” seeking comments of all stakeholders.

Telecom service providers (TSPs) offering fixed and mobile telephony are currently being overwhelmed by online content, known as over-the-top (OTT) applications and services. The term over-the-top (OTT) refers to applications and services which are accessible over the internet and ride on operators’ networks offering internet access services e.g. social networks, search engines, amateur video aggregation sites etc. OTT providers make use of the TSPs’ infrastructure to reach their customers and offer products/services that not only make money for them but also compete with the traditional services offered by TSPs. Leave aside TSPs, these apps also compete with brick and mortar rivals e.g. e-commerce sites, banking etc. Today, users can directly access these applications online from any place, at any time, using a variety of internet connected consumer devices.

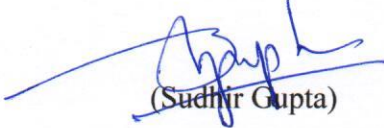
2. The rising penetration of smartphones (because of declining price) and the up-gradation of access networks by the TSPs are among the important factors contributing to OTT growth. Digitalization of content has reduced conservation, reproduction and distribution costs, which, in turn, has promoted the explosive growth in the supply of online content. Paradoxically, the broadband networks provided by incumbent TSPs are used as a platform by the OTT players for the development of new businesses. The growth of traffic apart, the OTT applications have created an increasing demand for faster broadband speed, which translates into a need for huge investments in network up-gradation by the TSPs.
3. Worldwide, there is an ongoing debate amongst Governments, industry and consumers regarding regulation of OTT services and about net-neutrality. In this background, TRAI



has today released a Consultation Paper on Regulatory Framework for Over-the-top (OTT) services. This Consultation Paper covers the views of the service providers and OTT providers, all related issues (including network neutrality), international experience with network neutrality and regulation of OTTs (communications and non-communications).

Some of the important issues discussed in the Consultation Paper are:

- a. Policy and regulatory environment and need for regulation;
 - b. Current policy dispensation for OTT players vis-a-vis TSPs;
 - c. Security concerns of OTT players providing communication services;
 - d. Issues related to security, safety and privacy of the consumer;
 - e. Issues arising because of 'net-neutrality';
 - f. Network discrimination and traffic management practices;
 - g. Non-price based discrimination of services and ensuring transparency to consumers;
 - h. Pricing-related issues, including differential pricing for data access;
4. Written comments on the Consultation Paper are invited from the stakeholders by 24th April, 2015 and counter comments by 8th May, 2015. The comments may be sent, preferably in electronic form, to Mr. A. Robert J. Ravi, Advisor (QOS) on the e-mail address advqos@trai.gov.in. The comments can also be faxed to 011-23213036. All comments will be posted on the TRAI's website. For any further clarifications please contact Mr. A. Robert J. Ravi , Advisor (QOS) on 011-23230404.


(Sudhir Gupta)
Secretary