Information note to the Press (Press Release No.115/2018)

Telecom Regulatory Authority of India

TRAI releases "The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018 (08 of 2018)"

New Delhi, 28.11.2018 - The Telecom Regulatory Authority of India (TRAI) has today issued "The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018 (08 of 2018)".

- 2. Access Facilitation Charges (AFC) are the charges, which are payable by International Long Distance Operators (ILDO)/ Internet Service Providers (ISP) to the owner of the cable landing station to access the acquired international bandwidth in a submarine cable. Submarine cables provide vital international telecommunication links between countries across the world. Submarine cables terminate in the country through cable landing stations.
- 3. TRAI had issued The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges Regulations, 2012 on 21.12.2012. The AFC Charges and Co-location Charges specified in the Regulations dated 21.12.2012 were to be effective from 01.01.2013. However, it was challenged in the Hon'ble Madras High court by two of the Owners of Cable Landing Station (OCLS). The Single Judge Bench of the Hon'ble Madras High Court on 11.11.2016 had dismissed the writ petitions. But, appeals were filed by these two OCLS before a Division Bench of the Hon'ble Madras High Court. The Hon'ble Division Bench of Madras High Court vide its final Judgment and order dated 02.07.2018 had quashed the Schedules I, II and III of 'The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-location Charges Regulations, 2012 dated 21.12.2012' and has directed that TRAI shall redo and re-enact the aforesaid schedules.



- 4. Subsequently, TRAI has filed Special Leave Petition in the Hon'ble Supreme Court against the judgment of the Division Bench of Hon'ble Madras High Court. Similar, Special Leave Petitions were also filed by other stakeholders in the Hon'ble Supreme Court. The Hon'ble Supreme Court vide it Order dated 08.10.2018 has requested the Authority to re-work the figures on both counts within a period of six week. The both counts are 'Utilization factor' and 'Conversion factor' which were used for estimation of the Access Facilitation Charges. Accordingly, to seek the views of the stakeholders the Authority issued a Consultation Paper on "Estimation of Access Facilitation Charges and Co-location Charges at Cable Landing Stations" on 18.10.2018. An Open House Discussion on the same was also held on 05.11.2018.
- 5. After taking into consideration the Comments, Counter Comments and Additional Comments—received from stakeholders and analysis of other relevant facts, the Authority has decided to take the 'Utilisation Factor' of 70% and 'Conversion Factor' of 2.6, wherever applicable. Accordingly, the Schedules I, II and III of the principal regulations have been re-worked and the charges are being prescribed. The Authority has, accordingly, notified "The International Telecommunication Cable Landing Stations Access Facilitation Charges and Co-Location Charges (Amendment) Regulations, 2018 (08 of 2018)" which shall come into force from the date of its notification in the Official Gazette. The regulations along with explanatory memorandum have also been placed on TRAI's website www.trai.gov.in.

Secretary, TRAI