

TRAI releases Recommendations on Net Neutrality

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After much discussions and deliberations that commenced with a committee established by Department of Telecommunications (DoT) to provide recommendations on net neutrality in January 2015, the Telecom Regulatory Authority of India (TRAI) released recommendations on net neutrality on 28th November 2017.

These recommendations have come at a time when internet usage is on an increase among consumers with bundled plans being offered by the telecom players at very competitive prices. The recommendations if accepted by the government will provide no major relief to the regulated telecom industry.

Recommendations by TRAI

1. TRAI has supported the concept of net neutrality. This implies that the internet service providers cannot discriminate with respect to the content available on the internet i.e. they cannot provide preferential treatment to a particular content like speeding up a service or blocking or degrading some other content or service.

We believe that the recommendation if accepted will provide minimal scope to the telcos (that are currently facing pressure on account of stiff competition in the industry) to offer differentiated access options.

2. It has also suggested that the service providers shall be restricted from entering into any arrangement, agreement or contract that has the effect of discriminatory treatment based on content, sender or receiver, protocols or user equipment.

3. TRAI has exempted Content Delivery Networks (CDNs) from the scope of any restrictions on non-discriminatory treatment. CDNs allow telecom service providers to deliver content within its network without going through the public internet.

The acceptance of this recommendation will come as a relief to large integrated telcos that also operate content platforms.

4. It has also proposed that the telcos would be required to declare their Traffic Management Practices (TMPs) as and when deployed and the impact it may have had on the users.

This recommendation will ensure transparency among the telecom service providers and it will also help evaluate the impact the TMP had on the telcos' users.

Other recommendations proposed by TRAI includes inclusion of Internet of Things (IoT) under net neutrality while excluding specialised services and critical IoT services that satisfy the definition of specialised services.

No recommendations on over-the-top (OTT) operators

TRAI has kept the OTT players outside the scope of these recommendations on net neutrality while the telcos are of the view that these OTT players should also be brought under the regulatory framework as the OTT players such as WhatsApp, Viber offer services such as making calls.

Concluding remarks

- *The recommendations have come as a mixed bag to the telecom industry. The acceptance of net neutrality will provide no major relief to the regulated telecom industry and also it will provide minimal scope to the telcos (that are currently facing pressure on account of stiff competition in the industry) to offer differentiated access options, the recommendations on CDNs will provide relief to large integrated telcos and the recommendation on TMPs if accepted will ensure transparency in the system.*
- *TRAI kept the OTT players outside the scope of net neutrality recommendations while telcos wanted them to be brought under the regulatory framework. Resultantly, the OTT players will continue to have an impact on the telcos' revenues.*

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