

# **Issues with telecom regulations**

#### What is the issue?

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There are no clear telecom regulation policies on net neutrality in the country.

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### What is net neutrality?

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- Internet service providers should enable access to all content and applications regardless of the source, and without favouring or blocking particular products or websites.
- There are no laws governing net neutrality in India, which would require that all Internet users be treated equally.
- There have already been a few violations of net neutrality principles by Indian service providers.
- On February 2016, Telephone Regulatory Authority of India (TRAI)
  published a Regulation titled, the 'Prohibition of Discriminatory Tariffs for
  Data Services Regulation, 2016,
- Whereby different pricing rate for different services or for a certain type of services were allowed.
- TRAI rolled out a Consultation Paper on Net neutrality for public Consultation recently

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What are the issues with telecom regulations?

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- $\bullet$  Treating service providers and Internet companies as single or separate entities comes with much complexity  $\ensuremath{\backslash} n$
- Revenues from telecom firms contribute to more than 90 per cent of the government for 2017-18.

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- Earlier different companies provided voice telephony, Internet service, and Internet content and applications.
- $\bullet$  Presently telephony, internet connectivity and Internet content and applications have become heavily vertically integrated.  $\$
- Increasingly, the new model of value creation involves integrated ecosystems or "walled gardens".

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### What are complexity in regulatory approaches?

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• If telecom and internet industries treated as same industry, the difference are not neglected.

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• The telecom industry has geographical jurisdiction, are subject to a variety of national regulations.

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- $\bullet$  Internet companies operate globally and are subject to light touch regulations, in most national jurisdictions.  $\mbox{\sc h}$
- $\bullet$  India is silent on the vertical integration of different layers of the Internet.  $\ensuremath{^{\backslash n}}$

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### What can be done?

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• The reduction in levies will allow the cash-rich internet companies to create integrated value networks.

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 Treatment of connectivity providers and Internet companies as separate industries can be followed.

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• The principle of net neutrality has to be strictly enforced with respect to the walled gardens created by Internet companies.

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• Telecoms should stop supporting one particular company or applications, it can depend on ad services for revenues.

• Stronger data protection laws should be enforced, and telecom providers need to assure data security to the users.

• The complexities in telecom regulations can be resolved only when telecom product vendors innovate constantly.

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### **Quick fact**

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## Walled gardens

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- In the realm of open and free Internet, the term walled garden refers to a
  browsing environment where users are restricted to certain content on a
  website and allowed to navigate only particular areas of the website.
- $\bullet$  The main purpose of creating a walled garden is to shield users from certain kinds of information.  $\ensuremath{\backslash} n$
- $\bullet$  This method is often used by an Internet service provider (ISP) to restrict users from accessing some websites  $\ensuremath{^{\backslash}}$

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# **Source: Business Line**

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