

SUMMARY NOTE OF NET NEUTRALITY COMMITTEE RECOMMENDATIONS

The Committee has recommended adherence to core principles of Net Neutrality, which have been outlined in Annexure-IV (Page-103) of the report. User rights on the Internet need to be ensured so that Telecom Service Providers/ Internet Service Providers (TSPs/ISPs) do not restrict the ability of the user to send, receive, display, use, post any legal content, application or service on the Internet, or restrict any kind of lawful Internet activity or use. The committee' recommendations, among other things, are as follows (This is only for illustrative purpose. For full summary of recommendation, please go through chapter 17, page no 85 to 89 of the report).

1. The primary goals of public policy in the context of Net Neutrality should be directed towards achievement of developmental aims of the country by facilitating "Affordable Broadband", "Quality Broadband" and "Universal Broadband" for its citizens.
2. Over-The-Top (OTT) application services should be actively encouraged and any impediments in expansion and growth of OTT application services should be removed.
3. Specific OTT communication services dealing with messaging should not be interfered with through regulatory instruments. For OTT application services, there is no case for prescribing regulatory oversight similar to conventional communication services.
4. In case of Voice Over Internet Protocol (VoIP) OTT communication services, there exists a regulatory arbitrage, wherein such services also bypass the existing licensing and regulatory regime creating a non-level playing field between TSPs and OTT providers both competing for the same service provision. This aspect is under deliberation in other countries as well. European Commission has made a policy pronouncement on May 6, 2015 for a Digital Single Market Strategy for Europe arguing, inter alia, that there is a need to review telecom rules to look at ways of ensuring a level playing field for players in the communications market to the extent that they provide competing services and also for meeting the long term connectivity needs of the European Union.
5. Under existing telecom licensing conditions, Internet Telephony is permitted under restricted conditions. However, pricing arbitrage of OTT domestic voice communication services has the potential of significantly disrupting existing telecom revenue models. This may decelerate the pace of telecom infrastructure expansion, whereas the need is to boost investment in telecom infrastructure to increase broadband reach, speeds, bandwidth capacity and enhanced quality of service. With complete transition of Telecom Network to IP Network, the pricing

arbitrage between voice communications by TSPs and OTT service providers would be substantially reduced. The key public policy imperative is to manage the transition from voice-centric to data-centric networks with the concomitant change in technology.

6. The existence of a regulatory arbitrage in addition to the pricing arbitrage adds a degree of complexity that requires a graduated and calibrated public policy response to bring about a level playing field. In case of OTT VoIP international calling services, a liberal approach may be adopted. However, in case of domestic calls (local and national), communication services by TSPs and OTT communication services may be treated similarly from a regulatory angle for the present. The nature of regulatory similarity, the calibration of regulatory response and its phasing can be appropriately determined after public consultations and TRAI's recommendations to this effect.
 7. Legitimate traffic management practices may be allowed but should be "tested" against the core principles of net neutrality.
 8. Tariff plans offered by TSPs/ISPs must conform to the principles of net neutrality set forth in guidelines issued by the Government as Licensor. TRAI may examine the tariff filings made by TSPs/ISPs to determine whether the tariff plan conforms to the principles of net neutrality.
 9. A clause, requiring licensee to adhere to the core principles of net neutrality, as specified by guidelines issued by the licensor from time to time, should be incorporated in the license conditions of TSP/ISPs. The guidelines can describe the principles and conditions of net neutrality in detail and provide applicable criteria to test any violation of the principles of net neutrality.
 10. National security is paramount, regardless of treatment of net neutrality. The measures to ensure compliance of security related requirements from OTT service providers, need to be worked out through inter-ministerial consultations.
 11. An oversight process on Net Neutrality may be set up by the government to advise on policies and processes, review guidelines, reporting and auditing procedures and enforcement of rules.
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