



TRAI's OTT Recommendations Upholds the Vision of Digital India

New Delhi, 16 September 2020: The OTT regulation recommendations by TRAI is a progressive judgement that upholds the Digital India vision of the Government and will help achieve the vision of the National Digital Communication Policy (NDCP) as envisaged by the Ministry of Telecommunications.

The Internet and Mobile Association of India [IAMAI] welcomes the recommendation by the Telecom Regulatory authority of India (TRAI) suggesting no regulatory intervention on Digital services based on data services by telecom operators, referred to as Over The Top (OTT) services.

IAMAI highlighted that the fair and transparent stakeholder's consultation process followed by TRAI has allowed for the right voices to be heard and the decision taken by TRAI is a reflection of this process. The association has engaged with TRAI on this matter on every occasion as a stakeholder over the years.

The issue of OTT regulation, evolving from the earlier net neutrality and discriminatory pricing debate was hedged on the argument of revenue loss for telecom operators due to popularity of digital services over conventional telecom services. The brunt of the attack was on messaging services that has led to SMS services being obsolete and VOIP calls at affordable rates that makes ISD calls irrelevant. The arguments for 'same services same rules' which was later modified to 'functional substitutability' asking for parity in terms of both economic impact and level playing field have both been refuted by TRAI in its recommendations.

IAMAI expresses gratitude to TRAI for upholding the Association's longstanding position that digital services are not similar to conventional telecom services or even comparable to them in terms of regulating them. TRAI has also acknowledged the fact that the argument for economic loss does not hold given digital services lead to added revenues for telecom services in terms of data consumption. The decision to allow market forces to deal with the economic aspects of the popularity of OTT services is a landmark decision that augurs well for the fast-emerging digital services sector in India.

TRAI has also satisfactorily addressed the concerns of security and privacy by giving due recognition to the ongoing developments and has categorically refuted any need for regulatory intervention in this regard. IAMAI had highlighted in its submission that the various new regulatory provisions like Personal Data Protection Bill adequately address all such concerns and hence no further interventions were required.

On the overall issue of Regulation of OTT services, TRAI recognizes the various global development taking place and suggests putting matters on hold till more clarity emerges. IAMAI reiterates that the digital services under consideration are suitably regulated by the Information Technology Act or the forthcoming Data Protection framework or cybersecurity provisions being discussed. The sector is as

well-regulated as any telecom service and any future needs can be adequately addressed without stifling its development.

IAMAI expresses optimism that the Indian digital sector will respond positively to these recommendations that allows the sector to evolve unfettered.

About IAMAI

The Internet and Mobile Association of India [IAMAI] is a young and vibrant association with ambitions of representing the entire gamut of digital businesses in India. It was established in 2004 by the leading online publishers, and in the last 16 years has come to effectively address the challenges facing the digital and online industry including mobile content and services, online publishing, mobile advertising, online advertising, ecommerce and mobile & digital payments among others.

Sixteen years after its establishment, the association is still the only professional industry body representing the online industry in India. The association is registered under the Societies Act and is a recognized charity in Maharashtra. With a membership of nearly 300 Indian and overseas companies, and with offices in Delhi, Mumbai, Bengaluru and Kolkata, the association is well placed to work towards charting a growth path for the digital industry in India.

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