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TELECOM REGULATORY AUTHORITY OF INDIA

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TRAI releases Consultation Paper on "Licensing Issues Related to Next Generation Networks".

27<sup>th</sup> January, 2009, Telecom Regulatory Authority of India (TRAI) released a consultation paper on "Licensing Issues Related to Next Generation Networks".

The rapid technological advancements are enabling the users to access a wide selection of high-quality communications, information and entertainment services. The consumers are demanding high quality services at affordable cost. The bundling of services is being adopted to increase stickiness and retention of subscribers. The changing pattern is demanding many fold increase in bandwidth requirement and assigned highest importance to Quality of Service.

For fulfilling these consumer requirements, service providers are exploring new avenues for providing value added services and look for innovations in telecom technologies. The development of converged platform commonly known as Next Generation Networks (NGN) has made it possible to provide various services on IP backbone. NGN is essentially a managed IP-based (i.e., packet-switched) network that supports variety of high speed data intensive services including, IPTV, HDTV, videoconferencing, VoIP, Instant Messaging, e-mail, and other packet-switched communication services. The increasing acceptability of common IP back bone, reducing ARPU, intense

competition and need to provide new value added services and applications encouraging migration to NGN platforms world-over.

Such migration may be restricted due to existing regulatory frameworks. Different options available to regulators are to support investment, encourage & support migration, encourage migration, or wait & watch. In all the above strategies, the higher rewards are associated with high risk. TRAI believes that being a technological advancement, the regulators' role is to analyse the various impediments and initiate appropriate action to redress these impediments in a time bound manner so that service providers interested to migrate to NGN can do so without any regulatory hurdle.

In this connection, TRAI had made certain recommendations to the Government in March, 2006. Consequent to these recommendations, an Expert Committee on Next Generation Networks (NGN-eCO) was constituted under the aegis of TRAI having representations from Licensor, Regulator, DOT, TEC, Service Providers, Vendors and Academic Institutions. The NGN-eCO deliberated upon the licensing, interconnection and Quality of Service (QoS) issues related to NGN and submitted its final report to the Authority on 24th August, 2007. The expert committee (NGN-eCO) emphasized the need to deliberate these specific issues separately in order to give more focus and thrust, which will facilitate smooth migration process to NGN.

In view of the above and to encourage investments in NGN the Authority is of the view that a suitable regulatory framework has to be established. A consultation paper on the licensing issues has been prepared for initiating consultation process.

Some of the issues discussed in the consultation paper are:

- Licensing Framework
- Competition Issues
- Provision of third party service and applications
- Service Level Agreements (SLA)
- Mandatory Interconnect Exchange
- Placement of Active elements in the network
- Compatible interface by NGN Networks for Interconnections with TDM Networks
- Interface approval in NGN
- Emergency number dialing
- Re-authentication of identification of called party

The stakeholders are being requested to send their comments on the above issues by 27<sup>th</sup> of February 2009.

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