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Telecom Regulatory Authority of India

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TRAI's Regulation mandates non-discriminatory, fair and open access at the cable landing stations

New Delhi, 07 June, 2007- Telecom Regulatory Authority of India (TRAI) has released Regulation on “ **International Telecommunication Access to Essential Facilities at Cable Landing Stations Regulations, 2007**” which provides for the non-discriminatory, fair and open access at the cable landing stations.

A number of submarine cables are landing or terminating in India. These submarine cables terminate at cable landing stations operated and managed by few ILDOs. As such the facilities are predominantly owned by limited number of ILDOs. TRAI considers that access to these cable landing stations by other licensees is necessary for creating a conducive environment and boosting competition in the international bandwidth connectivity / leased circuits segment.

Access to submarine Cable Landing Stations (CLS) is considered an essential input for many telecom services needing international connectivity. Any access barriers to such facility can constrain the competitiveness of telecom operators and become detrimental to healthy growth of international telecom market. Thus for the CLS, which are considered to be essential and critical telecom facilities, it needs to be ensured that any restriction on such facilities should not become a 'bottleneck' to international telecom services provision. In pursuance of the recommendations on “Measures to promote competition in International Private Leased Circuits (IPLC) in India”, the Department of Telecommunications, after accepting the recommendations, has also amended the relevant clauses in International Long Distance (ILD) Service Licence to ensure efficient, transparent and non-discriminatory access facilities for submarine cables at Cable Landing Stations.

International leased circuits are used by exporters, BPO units/ Call centers, banks, small and medium enterprises (SMEs), ISPs and other information technology enabled service providers. In addition, ILDOs also require international bandwidth connectivity for carrying international voice calls. **The Regulation would facilitate:**

- **provisioning of bandwidth to end consumers at competitive rates;**

- **boosting of competition and therefore reduction in the price of international private leased circuits (IPLCs);**
- **availability of International bandwidth at competitive price to ISPs for rapid growth of Broadband Service;**
- **options to ILDOs to purchase International bandwidth at competitive prices on a range of diversified submarine cables;**
- **carriage of voice/data at a competitive cost.**

The owners of Cable Landing Stations are mandated, from the date of commencement of the Regulation, to submit “Cable Landing Station – Reference Interconnect Offer (CLS-RIO)” containing the terms and conditions of Access Facilitation and Co-location facilities including landing facilities at cable landing stations for International submarine cable capacity in accordance with the specified schedule and provisions in the Regulation within 30 days to the Authority for its approval. The Authority shall approve the CLS – RIO within 60 days. However, if it requires modifications so as to protect the interests of service providers or consumers or to promote orderly growth of the telecom, the Authority will give an opportunity to the owner of Cable Landing Station (CLS) to make necessary modifications and submit within 15 days of receipt of requirement for such modifications in the CLS-RIO for the approval. The owner of CLS shall publish the approved CLS-RIO within 15 days from the date of approval by the Authority. The Regulation would enable the timely provision of International bandwidth connectivity at cable landing stations in a fair, equitable, transparent and non discriminatory manner to eligible International Telecommunication Entities i.e. International Long Distance Operators (ILDOs) and Internet Service Providers (ISPs) with International Gateway permission.

The Regulation provides the time limits for owner of Cable Landing Station for various activities in access facilitation including the provision for co-location facility and the Regulation also provides the time limits for eligible Indian International Telecom Entity to enter into agreement, make payments and arrange backhaul circuits to its premises from Cable Landing Station. The Regulation has a provision for a minimum commitment period of three years for Co-location facility and its renewal till the term of lease of International capacity on submarine cable at cable landing station subject to no default and breach by eligible Indian International Telecom Entity.

The Authority is of the view that there is a need for standard/published access facilitation agreement, which the new service providers can make use of for availing of access to international submarine cable capacity. In the absence of such regulation, there is a scope for delay, in provisioning of access to the capacity acquired by the competing operators, from incumbent International Long Distance Operator (ILDO) and other ILDOs with Significant Market Power (SMP) who own cable landing stations. The Authority also noted that problems have been faced by

some of the ILDOs, who had acquired capacity in a submarine cable system from foreign carriers or International Telecom carriers, desired to access such capacity at the cable landing station of an existing operator.

The highlights of Regulation are:

- (a) **new service providers have access to the International bandwidth capacity in the same way as the consortium members;**
- (b) **access facilitation is not unduly delayed by consortium members having control over CLS;**
- (c) **transparent and non-discriminatory access at cable landing stations;**
- (d) **well defined responsibilities in terms of functioning;**
- (e) **transparent charges for access, Co-location and landing facilities;**
- (f) **time limit for provision of access, Co-location and landing facilities.**

Full text of the “**International Telecommunication Access to Essential Facilities at Cable Landing Stations Regulations, 2007 (5 of 2007)**” is available on TRAI’s website: www.traigov.in

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Authorized for Issue

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