Email   **Ved Prakash**

BIF Response to TRAI Consultation Paper on Encouraging Innovative Technologies, Services, Use Cases, and Business Models through Regulatory Sandbox in Digital Communication Sector

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From : tvr@broadbandindiaforum.in	Tue, Aug 01, 2023 12:00 AM
Subject : BIF Response to TRAI Consultation Paper on Encouraging Innovative Technologies, Services, Use Cases, and Business Models through Regulatory Sandbox in Digital Communication Sector	📎2 attachments
To : Sanjeev Kumar Sharma <advbbpa@trai.gov.in>	
Cc : SanjayKumar <jtadv-bbpa@trai.gov.in>	

Date:31st July, 2023

To,
Shri Sanjeev Kumar Sharma,
Advisor (Broadband and Policy Analysis),
Telecom Regulatory Authority of India,
Government of India.

Dear Sir,

Please find underlined enclosed BIF response (Word and PDF copy) to
the TRAI Consultation Paper on '*Encouraging Innovative Technologies, Services, Use Cases, and Business Models through Regulatory Sandbox in Digital Communication Sector*' dated 19th June 2023.

We earnestly request your kind consideration and support in this regard.

Best regards,

T.V. Ramachandran,

President,
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"*Where the mind is without fear and the head is held high...*

Where words come out from the depth of truth..

Where tireless striving stretches its arms towards perfection..."

BIF Response to TRAI Consultation Paper on Encouraging Innovative Technologies, Services, Use Cases, and Business Models through Regulatory Sandbox in Digital Communication Sector.docx
158 KB

BIF Response to TRAI Consultation Paper on Encouraging Innovative Technologies, Services, Use Cases, and Business Models through Regulatory Sandbox in Digital Communication Sector.pdf
422 KB

BIF RESPONSE TO DRAFT FRAMEWORK FOR ENCOURAGING INNOVATIVE TECHNOLOGIES, SERVICES, USE CASES, AND BUSINESS MODELS THROUGH REGULATORY SANDBOX (RS) IN DIGITAL COMMUNICATION SECTOR

S. No.	item	Description	Comments/ Suggestions
1	**THE REGULATORY SANDBOX**	In view of new technological developments, varieties of complementing technologies, number of probable product/service/application providers and constantly evolving requirements, a test environment needs to be established where new functions and processes can be tested, or existing functions or processes can be refined. This test environment may also provide possibilities to explore new ways and means to meet regulatory requirements or new service offerings. Such test environments in regulatory space are commonly known as "Regulatory Sandboxes". 2. The Regulatory Sandbox (RS) usually refers to live testing of new product/service/application in a controlled/test regulatory/licensing environment for which regulators/ licensors may (or may not) permit certain regulatory/licensing relaxations for the limited purpose of the testing. The Regulatory Sandbox allows the regulators/licensor, the innovators, the service providers (as potential deployers of the technology) and the customers (as final users) to conduct field tests to collect evidence on the benefits and risks of new innovations, while carefully monitoring and containing	BIF supports the concept of Regulatory Sandboxes for promoting innovation and for providing path breaking opportunities for research institutions, academia, R & D labs to try and experiment with new products, new solutions can be tried out in both indoor and regulated outdoor environments. Also RS can provide new regulatory approaches including light touch licensing to help encourage New innovators, startups and provide these young entrepreneurs relatively inexpensive testing facilities for conducting live trials /PoCs. This helps them convert prototypes and solutions into fully market ready commercial products and thereby hastens their go-to-market process. RS is the best way to develop innovation enabling or innovation responsive framework, which is so important to encourage new innovations and make India a 'nation of innovations'. RS will also enable regulators and licensors to try

		their risks. It can provide a structured avenue for the Licensor/ Regulator to engage with the ecosystem and to develop innovation-enabling or innovation responsive framework that facilitate delivery of relevant, low-cost service products. The Regulatory Sandbox is an important tool which enables more dynamic, evidence-based regulatory/licensing environments which learn from, and evolve with, emerging technologies.	new light touch and innovative regulatory approaches with little or zero regulatory burden, which will enable new and emerging technologies to come up and flourish in the midst of tried and tested technologies.
2	**OBJECTIVES AND SCOPE**	1. The sandboxing framework for the Digital Communication (DC) sector in India is aimed at promoting innovation, protecting consumer interests, and mitigating potential risks associated with new technology and business models. The objectives of the framework are to encourage innovation, reduce regulatory burden on small and medium-sized enterprises (SMEs), and ensure consumer protection. Under this sandbox framework, entities shall be granted certain facilities and flexibility to experiment with telecom products/services/application in a live environment and on limited set of real customers for a limited time frame. These features shall be fortified with necessary safeguards for customer protection and risk mitigation. Various stakeholders can prototype product/service/ application solutions and evaluate processes and functions in the test environment. 2. The scope of the sandboxing framework includes any new DC service or technology that requires	BIF fully supports all the points mentioned under the Objectives and Scope.

3	ELIGIBILITY	testing in a controlled environment. This framework is applicable to all entities or individuals concerned to test products or services or applications related to DC technology.	
		1. **Any licensed Service Provider**, called Principal Applicant, shall be eligible for testing in the regulatory sandbox subject to fulfillment of laid conditions. The other entities, called Applicant, willing to utilize the Sandboxing facilities of any licensed service provider may engage with it as Principal Applicants. In case licensed service providers are applying in their own capacity they need to fulfill conditions meant for Principal Applicant and Applicant both. 2. In cases where the Applicants find difficulty in associating with a Principal Applicant <u>OR</u> the product/service/application does not necessitates associating with a Principal Applicant, the Applicant can apply directly. However, in such cases they will have to give sufficient justifications for applying directly. The Applicant will also be required to provide documents indicating the efforts made by them to tie-up with a Principal Applicant.	**Participation:** Participation in the RS should not be coercive or mandatory. Incentives may be provided to take part in the RS. **Commercialization:** a) In case the startups/MSMEs or young innovators/entrepreneurs apply for testing, they need to be handheld. Agreements between them and the LSPs (Principal Applicants) must be done through a draft RIO or agreement under oversight by the Regulator/Licensor. b) In case where both the Principal Applicants and the Applicants belong to a LSP itself, Commercialization of a product or service should be left to mutual commercial negotiations between Principal Applicants (LSPs) and Applicants (Other entities). If only a LSP or LSPs are participating in the RS, the commercialization should be left to the business use-cases of the LSP or LSPs.

			Commercialization post successful demonstration in RS should not be linked to RS.
4	**ESSENTIAL CONDITIONS TO BE FULFILLED BY PRINCIPAL APPLICANT AND APPLICANT**	i. The essential conditions required for testing under Sandbox regulations and details to be provided in applications are as follows: a. **Only Indian entities eligible**: Principal Applicant/ Applicant should be a company incorporated and registered in India. b. **Required financial and technological capability**: Applicant shall have a minimum net worth of **Rs. 25 lakhs** as per its latest audited balance sheet. In addition, Applicant/Principal Applicant should demonstrate in the application that they possess the required financial and technological resources to take part in the sandboxing process. c. **Genuineness of innovation**: The product/service/application should be innovative enough to add significant direct or indirect value to the existing offering in the market. The same should be explicitly brought out in the application by the Applicant/Principal Applicant d. **Genuine need to test**: The Applicant/Principal Applicant should have a genuine need for live testing the product/service/application on real customers. Further, the Applicant/Principal Applicant should demonstrate that the product/service/application cannot be developed	There should be minimum restrictions imposed for doing testing under controlled RS environment. This will help encourage new innovators, startups, MSMEs and would help bring in a culture of experimentation & innovation. **Fees:** It should be kept at INR 5,000/-. This amount is reasonable and desirable to encourage and create serious and committed activities that have potential for commercial deployment/use. For students and research institutions, Fee should be waived off. **Permissions:** All the necessary permissions needed to set up the systems for testing/R&D purposes should be granted automatically for the RS by the Government. If any dispute arises on this front, it should be the responsibility of DoT/TRAI to coordinate with other ministries and local governments so that the test procedures can be completed within the set timelines and with a conducive environment. **Import Permission:**

without relaxing certain regulations, if any, being sought.

e. **Limited prior testing**: Before applying for testing in sandbox, limited offline testing of the product/service/application should have been carried out by the applicant. The details of the same should be provided in the application by the Applicant/Principal Applicant.

f. **Direct benefits to users**: The product/service/application should offer identifiable benefits (direct or indirect) to the retail or enterprise customers. The same should be explicitly brought out in the application by the Applicant/Principal Applicant.

ii. **Risk Mitigation**: The product/service/ application should have proper risk management strategy to incorporate appropriate safeguards to mitigate and control potential risks to any market participants/ users/ customers/government that may arise from the testing of the product/service/application and shall propose appropriate safeguards to manage the risks and contain the consequences of failure. In case any deviation in the behavior of the product/service/application is observed during trial, compared to the expected behavior, the Applicant/Principal Applicant must clearly specify the measures that may be required to be undertaken to contain the impact within the live

The imported equipment shall not be for commercial use/ sale.

A self-declaration/ undertaking of the importing Indian entity, as permitted in the 5G trial licenses, along with the approval of the RS application from DoT/TRAI may be treated as sufficient.

Interference & Protection:
The systems set up for the purposes of the RS should not affect or interfere with the live operations of licensed TSPs. If any such event occurs, the project should be immediately shut down by DoT/TRAI. The RS should be operated solely on non-interference and non-protection basis, on the lines of 5G trial licenses.

During the trials, impact of interference of or on, as applicable Wirelines, IMT services or Satellite-based services in currently allocated frequency bands shall be studied by the participants in coordination with relevant stakeholders.

Geographical restrictions:
The area in which the project will be located (indoor/a building/a campus etc.) should be submitted as part of the application.

system.

iii. **Scope of testing**: To prevent any negative impact on the wider telecom market or the customers, the Sandbox environment should have a finite scope which is appropriate enough for testing the application/product/service.

iv. **Realistic scenarios**: The Sandbox testing environment should simulate realistic scenarios and conditions that the product/service/technology is likely to face in the real world. The same should be explicitly brought out in the application by the Applicant/ Principal Applicant.

v. **Transparency**: The application for regulatory sandbox for a product/service/application should provide transparency to all stakeholders, including customers, about the nature and scope of the testing. Since there may be uncertainties involved in testing these new products/services/technologies, the transparency requirements, if any, should be clearly spelt out in the application by Applicant/Principal Applicant.

vi. **Regulatory compliance & exemptions sought**: The Applicant / Principal Applicant should expressly spell out what regulatory requirements are being complied with and what exemptions from the existing regulatory regime pertaining to the product/service/application are sought under Sandbox testing.

Privacy and Security of the RS:
The participants shall ensure that the Regulatory Sandbox network is isolated, safe and secure from all the vulnerabilities and risks in order to protect network and data security as well as customer privacy. The data generated during such testing shall be stored and disposed of in a secure manner.

The RS Test guidelines being for experimental purpose , should not impose any harsh security or LIM/LIS conditions on the Applicant (Startup/MSME/Academia/Student)

An early-stage startups, usually having paucity of fund, may not have net worth of 25 lakhs, and will be deprived off testing their products. There should not be any net worth criteria for startup/MSME/students and research institutions.

Criteria to test the genuineness of innovation may be defined with objectivity to avoid any ambiguity and subjectivity.

		It should also mention the authority which is responsible for permitting the required exemptions. Any other facilitation or resource sought, including spectrum, for the sandbox testing must also be specified.	
		vii. **Consumer protection**: Applicant/Principal Applicant should demonstrate in application as to how the Sandbox testing would prioritize the protection of consumer interests and prevent any harm to consumers. If the case so requires, only such customers will be allowed to be on boarded who have given specific consent voluntarily. The Principal Applicant/Applicant shall be required to undertake indemnity insurance of an adequate amount and period, to safeguard the interest of the consumers. The adequacy of insurance cover shall depend on determination of the maximum liability based on, among others, the following factors	In view of providing transparency, there is need for a mechanism to protect the innovation and IPR. In view of technology evolutions and innovations, it may be challenge to have clarity on certain products and services on regulatory aspects and its applicability. In practice, test cases require to be tuned after a thorough and indicative testing.
		– (A) maximum exposure to a single consumer (B) the number of claims that could arise from a single event (C) number of claims that may be expected during the policy coverage period. The policy cover shall extend to the period beginning from the start of testing stage and end two months after exit from the regulatory sandbox.	Publication of certain information by regulator should be with prior consent from the licensee. Else competition may take advantage of it.
		viii. **Demonstrate additional protections needed**: The Applicant/Principal Applicant should sufficiently describe the various protections that	

| | | will be required to put in place in addition to those prescribed herein.

ix. **Monitoring and evaluation**: The Applicant/Principal Applicant should precisely define the test parameters, control boundaries, testing site, significant milestones, and anticipated outcomes for the technological proposal. The Sandbox testing should include a mechanism for monitoring and evaluating the testing process to ensure that the objectives of the testing are met and to identify any areas for improvement. The Applicant/Principal Applicant should provide an acceptable reporting schedule to report to the Licensor/Regulator on the status and progress of development and testing of its technological proposal.

x. **Testing readiness of the product/service/application**: For conducting tests scientifically, test protocols and outcome indicators must be designed and set in advance. The inter- operability of networks and services with envisaged functions and changes required, if any, needs to be identified for the testing. The Applicant/Principal Applicant should have the necessary resources to support testing in the sandbox and must demonstrate well developed testing plans with clear objectives, parameters, and success criteria. During the testing phase, additional steps which may be required to be | |

taken to address regulatory concerns (when the system goes live) may also be identified and spelt out in advance.

xi. **Exit strategy**: The Sandbox regulations should include a clear exit strategy that outlines the process for exiting the testing phase and launching the product/service/technology in the wider market. The impact of exit on on-boarded customers should be clearly defined in application and also be informed to such customers. Documented proof of the same will be required.

xii. **Deployment post-testing**: Applicant/Principal Applicant should demonstrate the intention and ability to deploy the product/service/application on a broader scale. To this effect the Applicant/Principal Applicant should share a proposed transition strategy along with sandbox exit strategy.

xiii. **Statutory and Legal Issues:** DoT/TRAI is not and shall not be liable for any acts of omissions, commissions, breaches, or any kind of culpability arising out of or in relation to the sandbox process and any liability arising as such will be borne by the Principal Applicant/Applicant. The Principal Applicant/Applicant will be required to submit an undertaking to this effect.

a. **Publication of information:** The Regulator/Licensor shall reserve the right to publish any relevant and generic information

		about the Regulatory Sandbox applicants on its website, for the purposes it deems fit, which may include, but are not limited to, knowledge transfer, collaboration with other national and international regulatory agencies, etc., without revealing any proprietary/intellectual property rights related information. Principle Applicant/Applicant would be required to submit an undertaking to this effect and/or should submit details of such information which can't be put under public domain.	
5	**SUPPORTING DOCUMENTS REQUIRED TO BE SUBMITTED WITH APPLICATION**	i. Certificate of Incorporation and Registration with the Registrar of Companies of Principle Applicant/Applicant. ii. The latest audited Balance Sheet showing a net worth of at least Rs. 25 lakhs of Principle Applicant/Applicant. iii. Document explicitly bringing out the innovation and identifiable benefits (direct or indirect) of the product/service/application offered to retail or enterprise customers. iv. Explanation of the need for live testing and how certain licensing/ regulations need to be relaxed for testing purposes. v. Provide the complete list of regulatory and/or licensing exemptions required and the extent of such exemptions. vi. Report on prior lab/field testing carried out on the	Incorporated in Essential Conditions (#4)

product/service/application.

vii. Explanation as to how the product/service/application offers identifiable benefits to retail or enterprise customers.

viii. Details of the potential risks to market participants/users/customers/government due to any exemption granted or otherwise and Risk management strategy and proposed safeguards to mitigate such potential risks.

ix. Details of Scope of the Sandbox environment and its limitations.

x. Details of realistic scenarios and conditions that the product/service/technology is likely to face in the real world and how these conditions are to be simulated during Sandbox testing.

xi. Details of the process for taking customer and other participants consent and conditions to be communicated to such customer and other participants before taking consent.

xii. Details of safeguards planned for protection of consumer interests and prevents any harm to consumers.

xiii. Testing plan, test parameters, control boundaries, testing site, significant milestones, and anticipated outcomes for the technological proposal

xiv. Exit strategy and proposed transition plan after Sandbox testing.

xv. Details of the impact of Sandbox exit on on-boarded customers.

		xvi. Details of proposed transition strategy and ability to deploy the product/service/application on a broader scale. xvii. Undertaking indemnifying DoT/TRAI about any risk or damage caused to any stakeholder due to any direct or indirect action taken by principal applicant/applicant during sandbox testing.	
6	**APPLICATION EVALUATION CRITERIA**	1. The applicant may be evaluated based on the parameters given below: i. Complete Application form along with all supporting documents ii. Profile of the applicant Arrangement between Principal Applicant and Applicant, if any. iii. Required financial and technological capability to take part in the sandboxing process. iv. How the innovative product/service/application adds significant direct or indirect value to the existing offering in the market. v. Identifiable benefits (direct or indirect) to the retail or enterprise customers. vi. Potential benefits of the product/service/application to the disadvantaged sections of the society, such as women and tribal populace, role of the said product/service/application in empowerment of the masses, and the impact of product/service/application in furthering digital	Incorporated in Essential Conditions (#4)

inclusion.

vii. Offline testing of the product/service/application and results thereof prior to requesting sandbox.

viii. Defined mechanism for monitoring and evaluating the testing process including the test parameters, control boundaries, testing site, significant milestones, and anticipated outcomes

ix. Proposed strategy for exiting the testing phase and launching the product/service/technology in the wider market.

x. Ability to deploy the product/service/application on a broader scale and proposed transition strategy for same.

xi. Defined grievance redressal mechanism and user rights.

xii. Mechanisms suggested for disclosure of the potential risks to participating users and process suggested to take explicit consent from participants.

xiii. Any other factors considered relevant by DoT/TRAI.

Provided that failure to fulfill one, or more than one, of the essential eligibility conditions as outlined in Part IV above, may entail outright rejection of the sandbox application.

Provided further that DoT/TRAI or its designated agency, may waive off any essential condition(s) on need basis if it finds that the product/service/application may have substantial positive impacton

7	APPLICATION AND APPROVAL PROCESS	society/economy, if deployed on wider scale after successful sandbox testing.	
		1. The application and approval process will be as follows:	DoT/TRAI must undertake Regulatory Impact Analysis (RIA), with a view to ensure that the regulations have a positive economic and social impact with the understanding of the telecom sector in terms of economic verticals and addressing digitization from a transversal and transformational standpoint.
		i. Applicant or Principal Applicant, as the case may be, desiring to test under Regulatory Sandbox in India shall make an application to the DoT/TRAI electronically in the specified form.	
		ii. The application shall be accompanied by a non-refundable processing fee of ten thousand rupees.	
		iii. The Principal Applicant/ Applicant shall ensure that the specified eligibility criteria are satisfied while submitting the application to DoT/TRAI. The necessary supporting documents and undertaking to substantiate its claim of fulfillment of Essential Conditions as detailed above should be provided with the application. The application form shall be signed by the officer duly authorized by the company board. The complete application must be submitted to: XXXXXX or by email at XXXXXX.	The applying entity(ies) may need to show that:
		iv. DoT/TRAI will transparently communicate with the applicant during evaluation phase of the sandbox application, and during the testing phase.	• there exists a regulatory barrier which prevents deployment of the service/product to scale up or a genuinely innovative
		v. At the "**Application Stage**", DoT/TRAI shall review the application and inform of its potential suitability for a sandbox within 30 working days from the submission of the complete application. DoT/TRAI may issue appropriate instructions to the Principal Applicant/ Applicant according to the specific characteristics and	• significantly important solution/ product/ service is proposed for which relevant regulation is required but absent.
			• either a different technology is gainfully applied or same technology is being applied in a more effective and efficient manner.
			• The test and boundary conditions for the RS can be meaningfully executed while protecting consumers' privacy at the same

| | | risks associated with the proposed product/service/application. DoT/TRAI, if necessary, may also consult Service Providers, domain experts, etc. to evaluate the application. If the product/service/application has significant impact on any sector, then consultations may be held with the concerned ministries and sectoral regulators also. | time. |
| | | vi.   At the "**Evaluation Stage**", DoT/TRAI shall work with the Principal Applicant/ Applicant to determine the specific regulatory requirements and conditions (including test parameters and control boundaries) to be applied to the proposed product/service/application in question. The Principal Applicant/ Applicant shall then assess if it is able to meet these requirements. If the Principal Applicant/ Applicant is able and willing to meet the proposed regulatory requirements and conditions, the applicant shall be granted permission to develop and test the proposed innovation(s) in the sandbox. However, in case there are certain conditions licensing or regulatory which may not be fulfilled due to design aspect of that product/service/application, DoT/TRAI shall evaluate the possibility of granting exceptions for limited period so that to fulfill testing requirements. DoT/TRAI will establish a mechanism to grant such exemptions expeditiously, if feasible, within 45 days or communicate the reasons of rejection. The exemptions are to be granted considering potential of product/service/application, risk of causing potential harm to consumer or government interests, risk of | For facilitation and required management a dedicated mechanism/ agency for example IIT, ALTTC, NTIPRIT may be considered.

Zonal level agencies may be considered to facilitate innovators. |

misusing the exemption etc. In certain cases, exemptions may be required from other ministries or sectoral regulators or other entities, in such cases DoT/TRAI shall establish mechanism to approach such entities and coordinate for grant of exemptions to Principal Applicant/Applicant in time bound manner preferably 60 days. However, Applicant or Principal Applicant may not claim any right on an exemption granted by any entity on pretext that it has been granted in a previous case. DoT/TRAI decision on granting exemptions by itself or by other entities and duration for granting such exemptions, shall be final.

vii. Upon approval, the application shall proceed towards the "**Testing Stage**". The participant shall disclose to its users that the product/service/application shall operate in a sandbox and the potential key risks associated with the product/service/application. The Principal Applicant is also required to obtain the user's acknowledgement that they have read and understood the risks. The Principal Applicant shall define a clear mechanism to take explicit consent of participating users, if required. Documentary proofs of such communications/consents may be submitted to Licensor/Regulator.

viii. During the testing stage, the applicant shall take prior approval from DoT/TRAI to affect material changes, if any, to the product/service/application.

ix. DoT/TRAI will designate one officer who will have primary responsibility of coordinating the sandbox

		testing. Each applicant shall assign a contact person to coordinate with a designated officer of DoT/TRAI.	
		x. The duration of the sandbox testing stage shall be a maximum of twelve months. In exceptional cases which demonstrate requirement for longer durations in their application, the duration of more than twelve months may be allowed. On request of the applicant, DoT/TRAI can extend the duration on case-to- case basis after detailed examination.	
		xi. In case an application is rejected at any stage, the applicant shall be informed accordingly. The reasons for rejection could include failure to meet the objective of the sandbox or any of the eligibility criteria. The applicant may re-apply for the sandbox when it is ready to meet the objective and eligibility criteria of the sandbox, subject to an appropriate cooling off period, if any, as decided by DoT/TRAI.	
		xii. Principal Applicant/ **Applicant** must undertake to keep record of all testing steps/consent records for the period not less than one year after exit from Sandbox environment.	
8	**WAIVERS OR MODIFICATIONS TO RULES**	1. DoT/TRAI shall have the right to waive or modify conditions for the purpose of the test on a case-to-case basis.	.
9	**VALIDITY PERIOD**	1. The permission granted under the regulatory sandbox will have a validity period of up to 12 months for the applicant to test its	

		product/service/application. At the end of the validity period, the applicant will stop testing his product/service/application. The approval of product/service/application for testing under regulatory sandbox does not mean (or guarantee) approval from DoT/TRAI to use this product/service/application after the testing period. 2. An extension of validity period can be granted by competent authority based on prevalent conditions of tests, potential benefits, cost involved, complexity of test etc.	
10	**REVOCATION OF PERMISSION**	1. DoT/TRAI may revoke the permission so granted at any time if it is of the view that- i. The permitted applicant is failing, or is likely to fail, to satisfy the conditions established above; that guarantee qualification to the Regulatory Sandbox. ii. The permitted applicant has committed a contravention of the regulations, or any rules, guidelines, or standards or exemptions allowed if any. iii. The conducted test conflicts with the exigencies of the public interest. iv. The activities carried out do not meet the conditions given in the permission letter or are in violation of the provisions of the applicable laws. v. The Applicant/Principal Applicant has submitted forged undertakings/ records/ documents. Provided that before revoking the permission, the applicant	Comments incorporated in Eligibility conditions

		shall be given an opportunity of being heard. 2. An applicant may also file for early termination of the proposal in DoT/TRAI if it is felt that the proposal shall not be able to meet the desired objective. DoT/TRAI shall consider the request on merits and advise the applicant accordingly subject to such conditions as it deems fit.	
11	**COMPLETION OF THE RS TESTING AND REPORTING**	1. On completion of the allocated time or size of the proposal specified, the applicant shall submit a report to the DoT/TRAI within 60 days on how the proposal met the objectives along with feedback from the stakeholders and such other information or details as specified. The applicant shall also submit a plan of action as to what amendments in the extant licensing/regulatory framework are required, along with a time frame for proposed commercial launch of the product/service/application.	An acceptable exit and transition strategy should be properly defined in case the proposed telecom product/solution has completed all requisite tests required for the planned RS, has to be discontinued. Any continuation of deployment on a bigger scale should be only after exiting the RS. At this stage, the participant would be required to submit the final report to the Advisory committee consisting of the Regulator, TSPs and licensor. The Committee having reviewed the reports and insights gathered, will consider if any amendments are required in the existing regulatory regime or the requirement of new regulatory regimes based on evidence accumulated through the testing phases in the complete RS lifecycle, as the regulator needs to ensure that post-RS, an enabling regulatory environment is present for that particular

			product/solution before commercial launch of the same.
			Presence of an agreed upon exit plan (between the participants and the advisory committee consisting TSPs, DoT and TRAI) test will produce: • Main outcomes of the test, KPIs, comparative outcome analysis; • Customer feedback, complaints, concerns, and challenges during the testing period; • Measures taken to overcome the challenges; • A detailed description about the technology and network limitations, consumer protection and risk management frameworks; • A summary of recommendations and findings to the regulator about the testing experience.
12	**OVERSIGHT AND GOVERNANCE BODY**	1. DoT/TRAI or any other entity so authorized by it will oversee the sandboxing process and ensure that it is conducted in a transparent and accountable manner. 2. The oversight and governance of the sandboxing	

		framework will be crucial to ensure its effectiveness and accountability. The overseeing body will establish a monitoring and evaluation framework to assess the performance of each sandboxing project and provide recommendations for improvement. The overseeing body may also provide necessary directions on potential regulatory implications of an innovative product or business model that is at an early stage of development. The Principal Applicant/Applicant must make necessary arrangements to make the Sandbox product/service/application accessible during testing, both physically and online, and provide all necessary tools, testers, and software necessary to monitor the product/service/application by the overseeing body. This will ensure that the sandboxing process is conducted transparently, and the overseeing body has the necessary resources to effectively oversee and evaluate the testing of innovative product/service/application.	
13	**FUNDING OF INNOVATION FOR INCLUSIVE SOCIETAL ADVANCEMENT AND GROWTH**	The government can play a crucial role in promoting innovations in Digital Communication sector for the advancement of society. Some innovations, which might be very promising, may lack adequate funding support. Financial incentives and operational support needs to be provided to Innovative	Since there will be costs involved in resources, or trials on the RS applicants / participating entities, we agree with the suggestion of the Authority to support innovative products or solutions which have the potential to bridge the

	OF ECONOMY	products/services/applications having potential to bridge the digital divide and bring socio-economic advancement to underprivileged sections of society, if deployed on a wider scale. Therefore, DoT/TRAI are open to proposals for providing funding support to deserving products/services/applications during Sandbox Testing. The Applicants who desire to avail such funding may indicate so along with the details of funding sought. Such proposals will be evaluated by a panel of experts appointed by DoT/TRAI. The Applicants may note that proposals that do not seek Government funding will have higher chances of acceptance and therefore Applicants should make their own arrangements for funding the proposal. Proposals not found deserving enough for funding support, will be summarily rejected.	digital divide and bring socio-economic development. For various commercial products and solutions, yet to be launched in market, there should be a provision of financial assistance through the Government grants/ budgetary support in order to facilitate the setting up and operationalization of the RS, based on its market viability, customer interests and potential to improve the digital landscape of India.