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Shri Akhilesh Kumar Trivedi,
Advisor (Network, Spectrum & Licensing),
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhavan,
Old -Minto Road, Near Zakir Husain College,
New Delhi – 110 002

Subject: ISPAI Response to TRAI Consultation Paper on 'Definition of International Traffic'

Dear Sir,

We congratulate the Authority to have come out with this Consultation paper on the matter captioned above and sincere thanks for providing us the opportunity to submit our response on this important issue.

We have enclosed our comprehensive response for your consideration.

We believe that the Authority would consider our submissions positively on the subject matter.

Thanking you,

With Best Regards,
For Internet Service Providers Association of India



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Encl: As above

ISPAI response to TRAI Consultation paper on 'Definition of International Traffic'

At the outset, ISPAI thank TRAI for providing an opportunity to share its comments/inputs on various important issues raised in the paper on definition of international traffic. ISPAI is representing ISPs in India and provides a forum to ISPs/Vendors to interact with each other on technology, policy, regulatory and commercial aspects and to exchange their views and find solutions.

There has been a lot of advancement in mobile messaging services over the years and the rise of instant messaging platforms has severely impacted on the SMS business in India and across the world. Services like WhatsApp, Facebook Messenger, and other messaging apps have gained popularity due to their convenience and additional features beyond traditional SMSs. The Central Government had also launched an instant messaging platform 'Sandes' which is presently being used by Government employees and agencies. As rightly pointed out by TRAI in its Consultation Paper, SMS services differentiate by offering unique features or specialized services that instant messaging platforms may not provide. For example, such services can emphasize the reliability, reach, and instant deliverability of SMS messages, especially in areas with limited internet access. The advantage of SMS is its ability to reach all mobile phones, including feature phones and non-requirement of data services for SMS services.

Our issue wise comments / inputs are as follows:

Q1. Whether it would be appropriate to define the term 'international traffic' in the telecommunication service license agreements as 'the international long-distance traffic originating in one country and terminating in another country, where one of the countries is India'? Kindly provide your response with a detailed justification

ISPAI Response:

ISPAI is of the view that yes, it is required to define the term 'international traffic' in the telecommunication service license agreements in line with the present market dynamics. The definition should cover all types of international traffic including voice and SMS. In our view, any traffic originated or terminated from/to a phone number or IP address (in case of A2P Messaging) located outside India can be considered as "international traffic". The need for definition of international traffic becomes important for A2P SMS services which are being provided to Enterprises for their business purposes.

Q2. In case your response to the Q1 is in the negative, kindly provide an alternative definition along with a detailed justification.

ISPAI Response:

Not applicable in view of our response provided in Q1 above.

Q3. Since the terms 'Inter circle traffic' and 'Intra circle traffic' are already defined in the telecommunication service license agreements, whether there is still a need to define the term 'domestic traffic' in the telecommunication service license agreements? If yes, what should be the definition of the term 'domestic traffic'? Kindly provide your response with a detailed justification

ISPAI Response:

Yes, TRAI should define "Domestic traffic" and "International traffic" in the license agreements. The term domestic traffic should include domestic SMS traffic wherein Enterprises/Individuals who have infrastructure setup in India to originate the traffic (e.g., IP address, Phone number or combination of both etc., as origination source parameters) and with origination and termination of SMS both in India along with the data residing only in India (on cloud or otherwise). Such SMS traffic should be considered as a part of domestic traffic.

Q4. Whether there are any other issues/ suggestions relevant to the subject? If yes, the same may kindly be furnished with proper justification.

ISPAI Response:

We would like to submit the following points / suggestions for TRAI consideration:

- TSPs having Unified License with Access Service authorization can only have direct access to the customers including Enterprises who have the requirement of telecom resources for their A2P domestic and international traffic. NLDOs and ILDOs have similar capabilities possessed by Access Service Providers to offer similar services to the customers in a secured manner. However, NLDOs and ILDOs are prohibited to have direct access to the customer to offer requisite SMS services under UL-ILD license. Therefore, in order to create a level playing field in the Bulk SMS business for A2P domestic and international traffic among licensed service providers, ILDOs and NLDOs should be permitted to access such enterprise customers directly.
- Similar to International termination charges for Voice services, TRAI should also initiate consultation process to regulate the International SMS termination charges for such 'international traffic' from ILDO towards Access Service Providers considering the fact that the international SMSs are typically charged differently from domestic SMS messages. Currently IUC charges for International SMSs are under forbearance and Access Service Providers are charging exorbitant charges for terminating International SMSs into their network. When sending an SMS to a foreign country, additional fees are applied due to international routing and interconnection agreements between mobile operators. These fees can vary depending on the service provider and the specific countries involved. Cost incurred in terminating the domestic and international SMS are same which is 2 paisa/ SMS. Premium is allowed to be charged for promotional SMS which is 7 paisa/SMS. Global practice in the above regard needs to be studied while fixing international SMS termination charges. We recommend this to be regulated in line with international inbound voice traffic and work done principles.

- To ensure the level playing field between standalone and integrated International Long-Distance Operators (ILDOS), TRAI is requested to review the International Termination Charges (ITC) prescribed by TRAI vide its IUC Regulations (16th Amendment), 2020 dated 17-04-2020 which revised the earlier regime of fixed International Termination Charges (ITC) @ Re.0.30 per minute to forbearance regime within a prescribed range of Re. 0.35 per minute to Re. 0.65 per minute and also take necessary action to ensure that Access Service provider will offer the non-discriminatory rate of ITC to everyone i.e. to its own associated ILDO as well as to standalone ILDOs.