

Information note to the Press (Press Release No.13/2016)

For Immediate Release

TELECOM REGULATORY AUTHORITY OF INDIA

TRAI Releases the 'Prohibition of Discriminatory Tariffs for Data Services Regulations, 2016'

New Delhi, the 8th February, 2016: TRAI has today issued the 'Prohibition of Discriminatory Tariffs for Data Services Regulations, 2016' that disallow service providers to offer or charge discriminatory tariffs for data services on the basis of content being accessed by a consumer.

TRAI issued a Consultation Paper on 'Differential Pricing for Data Services' in December, 2015. This Consultation primarily sought the views of the stakeholders on whether the service providers should be allowed to charge differential tariffs based on the websites/applications/platforms being accessed on the internet. Based on the responses received and the internal deliberations, the Authority has issued these Regulations. While formulating the Regulations, the Authority has largely been guided by the principles of Net Neutrality seeking to ensure that consumers get unhindered and non-discriminatory access to the internet. These Regulations intend to make data tariffs for access to the internet to be content agnostic.

An overwhelming number of detailed and well reasoned responses, representing a diverse set of views were received in the consultation process. There were views suggesting both in support and against *ex ante* steps for regulating differential tariff for data services based on content. After careful examination of all the comments and feedback, the Authority has decided that *ex ante* regulation, rather than a case by case tariff intervention regime, would be more appropriate as it would give the much needed certainty to industry participants. Such a step is also warranted in view of the high costs of regulation in terms of time and resources that will be required for investigating each case of tariff discrimination.

The Authority has therefore mandated the following:

- a) No service provider shall offer or charge discriminatory tariffs for data services on the basis of content.

- b) No service provider shall enter into any arrangement, agreement or contract, by whatever name called, with any person, natural or legal, that has the effect of discriminatory tariffs for data services being offered or charged by the service provider for the purpose of evading the prohibition in this regulation.
- c) Reduced tariff for accessing or providing emergency services, or at times of public emergency has been permitted.
- d) Financial disincentives for contravention of the regulation have also been specified.

TRAI had issued the Consultation Paper on 'Differential Pricing for Data Services' on 9th December, 2015. Opportunity for submitting written comments and counter comments was given to the stakeholders till 7th January, 2016 and 14th January, 2016, respectively. An Open House Discussion was held on 21st January, 2016 and further time to submit additional comments was given up to 25th January, 2016.

TRAI will keep a close watch on the implementation of the mandate by the service providers and may undertake a review after two years or at an earlier date as it may deem fit.



(Sudhir Gupta)
Secretary, TRAI