



Telecom Firms Oppose TRAI's Public Wi-Fi model

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Telecom operators and internet service providers have opposed the public Wi-Fi model recommended by the Telecom Regulatory Authority of India (TRAI).

The reasons for opposition have varied from its adverse impact on the debt-ridden telecom industry, compromising national security to complete bypass of the present licensing framework, detrimental to massive investments already made in the spectrum, telecom infrastructure etc.

Background

- The Telecom Regulatory Authority of India (TRAI) has mooted a concept of open architecture-based public Wi-Fi grid to bring down the cost of the internet by 90 percent.
- It had recommended that a new set of players, called Public Data Office Aggregator (PDOA), should be allowed to resell internet services through yesteryears PCOs type of setup that will be called Public Data Offices.
- Similar to cyber cafes, which provide internet access to the public after registering themselves, PDOA should be allowed to provide internet access services after registering themselves with the telecom department. For this purpose, a central registry to authenticate the service provider and service seekers would be established.

Why the Need for Proliferation of Internet?

- India significantly lags behind other countries in terms of providing access to Broadband Internet, especially to people in rural areas.
- Broadband has over a period of time, become a critical platform for economic growth, job creation, global competitiveness and improved way of life. It is helping the emergence of new industries while unlocking vast new possibilities for existing ones.
- The World Bank's World Development Report recently observed that on an average a 10% increase in internet penetration, is likely to lead to a 1.4% growth in the GDP of an economy.

Benefits

- By doing so, it will allow small entrepreneurs such as tea stalls, grocery shops, and vendors to set up and maintain access points. Device manufacturers, payment companies, ISPs/telcos and consumer internet companies can provide the remaining pieces to set up public data offices (PDOs).
- The proliferation of public Wi-Fi can provide \$3 billion potential revenue opportunity for telecom operators, as it will help to add new customers and increasing data consumption by existing users.

Telecom Regulatory Authority of India

- Established by an Act of Parliament (Telecom Regulatory Authority of India Act, 1997) to regulate telecom services, including fixation/revision of tariffs for telecom services.
- TRAI provides a fair and transparent policy environment which promotes a level playing field and facilitates fair competition.
- The TRAI Act was amended to establish a Telecommunications Dispute Settlement and Appellate Tribunal (TDSAT) to take over the adjudicatory and disputes functions from TRAI.
- TDSAT was set up to adjudicate any dispute between a licensor and a licensee, between two or more service providers, between a service provider and a group of consumers, and to hear and dispose of appeals against any direction, decision or order of TRAI.