

Telecom regulator recommend cheap Wi-fi service

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The regulator had estimated that cost per MB in wi-fi network could be less than 2 paise.



Telecom Regulatory Authority of India

New Delhi: Telecom regulator Trai today recommended lowering of import duty on wi-fi equipment and mooted the concept of 'public data offices' and 'aggregators' for providing public wi-fi services at cheaper rates.

"A new framework should be put in place for setting up of public data offices (PDOs). Under this framework, PDOs in agreement with public data office aggregators (PDOAs) should be allowed to provide public wi-fi services," Trai said.

The regulator, which has come out with recommendations on proliferation of broadband through public wi-fi networks, said such measures will not only increase the number of public hotspots, but make internet services more affordable in the country.

The import duty applicable on wi-fi access point equipment should be revisited in co-ordination with the Ministry of Commerce, it suggested, adding that this will reduce the cost of providing Internet services.

"PDOAs may be allowed to provide public wi-fi services without obtaining any specific licence for the purpose. However, they would be subject to specific registration requirement (prescribed by the telecom department), which will include obligations to ensure eKYC, authentication and record-keeping requirements are fulfilled by PDOAs," it said.

This will also encourage village-level entrepreneurship and provide strong employment opportunities, especially in rural areas. In July last year, Trai had sought public views on allowing non-telecom companies to participate in setting up public wi-fi hotspots and said low-cost wi-fi access infrastructure could slash Internet rates by up to 90 per cent while offering faster speed.

The regulator had estimated that cost per MB in wi-fi network could be less than 2 paise while consumers on average are paying around 23 paise for the data usage in the cellular networks like 2G, 3G and 4G.

Trai today also favoured doing away with the existing requirement of authentication through OTP (one-time password) for each instance of access and said "authentication through eKYC, eCAF (customer acquisition form) and other electronic modes be allowed for the purpose of KYC (know your customer) obligations".

In a release, Trai said implementation of recommendations will lead to introduction of a new set of small players in the wi-fi service provisioning space, who will be able to contribute in a big way to taking broadband to the masses.

Trai has also suggested that the telecom department should clarify that there is no exclusivity requirement on virtual network operators licensees for Internet services, which means VNOs can join hands with multiple network service operators for providing such service.