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TRAI Calls for Zero Telecom Equipment Imports by 2022

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Telecom Regulatory Authority of India (TRAI) has recommended the setting up of a Rs. 1,000 crore fund for promoting research and innovation in the sector.

- The recommendations were aimed at enabling Indian telecom equipment manufacturing sector to transition from an import-dependent sector to a global hub of indigenous manufacturing.
- One of the primary reasons for increasing imports and decreasing exports is the relentless competition from China, which is known for large-scale production and export of low-cost telecom equipment, besides imports from other countries such as Sweden, Finland and the US.
- The authority suggested manufacturing telecom equipment in the country to offset security concerns because of excessive reliance on foreign-made goods.

Key Recommendations

- India should aim at net zero imports of telecommunications equipment by 2022. As per available data, the export of telecom instruments stood at \$1,201.7 million in 2017-18 while imports totalled \$21,847.92 million.
- Mandatory testing and certification of the telecom equipment in the country.
- Creation of the Telecom Research and Development Fund (TRDF) for research and innovation
- A dedicated unit in Department of Telecommunication (DoT) should be made responsible for the facilitation and monitoring of telecommunication equipment design, development, and manufacturing of indigenous telecommunication equipment.
- Telecom service providers (TSPs) be incentivised to deploy indigenous telecom products, beyond the quantities to be mandated under the Preferential Market Access (PMA).

- Telecom Entrepreneurship Promotion Fund (TEPF) and Telecom Manufacturing Promotion Fund (TMPF) be set up so that the private sector can effectively participate in the manufacture of indigenous equipment and have market access for locally made gear.
- DoT should coordinate with Ministry of Finance for making available the financing options, in line with the practices followed by other export-oriented economies, to indigenous telecom equipment manufacturers such as venture capital in the form of equity and soft loans, project finance and contract financing options.
- A portal be developed for self loading and declaration of Standard Essential Patents (SEPs).
- Alternate Dispute Resolution Framework for time bound resolution of patent licensing disputes should be institutionalised in the country.
- All telecom products meant for use in the telecommunication network or by consumers and marketed in the country should be classified as either fully finished imported products or indigenous products.

Telecom Firms Oppose TRAI's Public Wi-Fi model