



## OTT Communication Services

**For Prelims:** [Telecom Regulatory Authority of India](#), [Over-the-top Services](#), [Covid-19 pandemic](#), [Universal Service Obligation Fund](#), [Draft Telecommunication Bill, 2022](#), [Telecom service providers](#).

**For Mains:** Current Regulatory Status of OTT Communication Services in India, Telecom Regulatory Authority of India

**Source:** [IE](#)

### Why in News?

The [Telecom Regulatory Authority of India \(TRAI\)](#) is revisiting its stance on regulating [over-the-top \(OTT\) communication services](#), such as **WhatsApp, Zoom, and Google Meet**.

### What are OTT Services?

- An **“over-the-top”** media service is **online content provider that offers streaming media as a standalone product**.
  - The term is commonly applied to **video-on-demand platforms**, but also refers to **audio streaming, messaging services, or internet-based voice calling solutions**.
- These services that rely in data usage have become increasingly popular and widely used in India, especially during the [Covid-19 pandemic](#).
  - Monthly wireless data usage in India grew approximately **156 times from 2014 to 2022**. Revenue generation has **shifted from traditional voice and SMS services to data usage**.

### What is the Current Regulatory Status of OTT Communication Services in India?

- As of now, there is **no specific regulatory framework for OTT communication services in India**. TRAI has issued several consultation papers on this issue since 2015, but has **not made any final recommendations or regulations**.
- In September 2020, **TRAI recommended against regulatory intervention for OTT platforms, saying that it should be left to market forces**.
  - However, it also said that the sector should be monitored and intervention should be done at an **“appropriate time”**.
- In 2022, the [Department of Telecommunication \(DoT\)](#), which is the **nodal ministry for telecom policy and licensing**, suggested TRAI to bring a suitable regulatory mechanism and **“selective banning of OTT services”**.

### Why is Regulation of OTT Communication Services Important?

- **Leveling the Playing Field Between TSPs and OTT Platforms:** It is important to create a **fair**

competition between [telecom service providers \(TSPs\)](#) and OTT platforms.

- TSP in India are regulated by several laws, including the **Indian Telegraph Act, 1885, the Wireless Telegraphy Act, 1933 and the Telecom Regulatory Authority of India Act, 1997.**
- TSPs have to follow certain rules and pay fees to the government for **providing voice and SMS services.**
  - They also need to **meet quality standards, ensure security, and protect consumers.**
- However, **OTT platforms offer similar services without facing these requirements,** which gives them an advantage.
  - Also, they do not contribute to the [Universal Service Obligation Fund \(USOF\).](#)
- This unfair competition **affects the revenue and profitability of TSPs and also impacts the government's revenue** from the telecom sector.
- **Lawful Interception and National Security:** Regulating OTT communication services is essential for national security and public order.
  - OTT platforms should be **subject to lawful interception and monitoring by security agencies** to prevent the **spread of misinformation, incitement of violence, or facilitation of criminal activities.**
  - Making OTT platforms responsible for any illegal content or activity on their platforms helps maintain a safe and secure online environment.

## What does the Draft Telecommunications Bill, 2022 Focus on Regarding OTT Services?

- The [Draft Telecommunication Bill, 2022](#) is a proposed legislation that aims to replace three existing laws governing the telecom sector in India: the **Indian Telegraph Act, 1885, the Indian Wireless Telegraphy Act, 1933, and the Telegraph Wires (Unlawful Possession) Act, 1950.**
- The draft law proposes including OTT communication services, such as WhatsApp, Signal, and Telegram, **within the definition of telecommunication services.**
  - It **proposes that OTT communication services** in India should acquire a license and comply with the same set of rules governing telecom players.
  - These rules encompass various aspects such as **quality of service and security measures.**

## What is Telecom Regulatory Authority of India?

- **Legal Backing:**
  - The **TRAI** was established on **20<sup>th</sup> February 1997** by the **Telecom Regulatory Authority of India Act, 1997.**
- **Objectives of TRAI:**
  - TRAI's mission is to create and nurture conditions for growth of telecommunications in the country.
  - TRAI regulates **telecom services including fixation/revision of tariffs** for telecom services which were earlier vested in the Central Government.
  - It also aims to provide a fair and transparent policy environment which promotes a level playing field and facilitates fair competition.
- **Headquarters:**
  - The head office of the TRAI is located at **New Delhi.**
- **Composition of TRAI:**
  - **Members:** The TRAI consists of a **Chairperson, two whole-time members and two part-time members,** all of which are appointed by the Government of India.
  - The recommendations of the TRAI are **not binding** upon the Central Government.
  - **Tenure of Members:** The Chairperson and other members shall hold their office for a term of **three years or till the age of 65 years,** whichever is earlier.

