

Information Note to the Press (Press Release No. 82/2018)

For Immediate Release

Telecom Regulatory Authority of India

New Delhi, the 19th of July, 2018: Telecom Regulatory Authority of India (TRAI) today notified **Telecom Commercial Communication Customer Preference Regulation, 2018** that is proposed to curb the problem of Unsolicited Commercial Communication (UCC). It is available on TRAI website at <https://traigov.in/release-publication/regulation>.

2. TRAI had initiated public consultation by releasing a consultation paper on 14/09/2017. After considering the written submissions and the inputs received during the Open House Discussion held on 15/12/2017, draft regulations were notified on 29/05/2018 for further comments of the stakeholders. TRAI received 24 comments on the draft. All the stakeholders' responses were examined while formulating the final Regulation.
3. The earlier regulation on this subject was notified in 2010. Since then action has been continually taken against entities violating the rules and it has led to disconnection of as many as 1.4 million telephone numbers, besides other penalties. However, the problem of unwanted and unsolicited commercial communication (popularly called spam) has continued to resist the onslaught. Meanwhile, the menace of fraudulent calls and messages has also emerged in a big way and this issue has been red-flagged by other sectoral regulators, like SEBI (Securities and Exchange Board of India) and RBI (Reserve Bank of India), who have sought TRAI's assistance in controlling these activities.
4. Both imposters and fraudsters have taken advantage of loopholes in verification of identities by putting distance between themselves and the Telecom Service Providers through multiple intermediaries controlled by weak and unverifiable agreements. Further, with the adoption of newer



technologies, such as automated calling, the spammers have acquired the ability to reach ever larger target groups.

5. In this backdrop a complete overhaul of the regulation had become unavoidable. The objective of the regulation notified today is to effectively deal with the nuisance of spam experienced by the subscribers. The regulations provide for:

- a. Registration of senders (businesses and telemarketers)**

Through an easy registration processes, the business will be able assert their identity and build trust of the clients. This diminishes the ability of unknown entities reaching their customers with calls and messages that are fraudulent or otherwise of dubious nature.

- b. Registration of Headers**

Using headers intelligently to segregate different types of messages, businesses shall be able to help their clients manage, delete or store communications related to OTP's, balance enquires, flight alerts, special offers, etc.

- c. Registration of subscribers' consent**

Unscrupulous telemarketers today override the stated preference of the subscriber by claiming consent that may have been surreptitiously obtained. New regulations provide the subscriber with complete control over their consent and the ability to revoke the consent already granted, at their option. A major abuse of the current regulations would thus be stopped.

- d. Message template**

The concept of registered templates for both SMS and voice communication has been introduced to prevent deliberate mixing of promotional messages into the transactional stream. This will give relief to subscribers who feel targeted by unwanted communication today.




e. Fine-grained control over preferences

New regulations provide for fine grained control over preferences, including such options as the time window in which to allow specific types of unsolicited communication.

6. The salient features of the regulation are:
- a) Adoption of Distributed Ledger Technology (or blockchain) as the RegTech to ensure regulatory compliance while allowing innovation in the market.
 - b) Co-regulation where Telecom Service Providers/ Access Providers establish and arrange the framework, which is legally backed by regulation.
 - c) Enabling compliance through innovation in technology solutions that are demonstrated in a regulatory sandbox.
 - d) Enhanced controls and new options for all entities to perform their functions and to carry on their businesses efficiently.
7. TRAI has already explored, with encouraging results, the use of machine learning technologies to classify messages in its DND 2.0 App. These regulations would enable development of newer tools based on Artificial Intelligence or other technologies for an easier subscriber experience in setting preferences, governing consent and reporting violations. As a result of the platform approach espoused by TRAI, where functions are unbundled and access to information controlled based on permissions, all such solutions would henceforth be possible for third-parties to develop. And they would be able to demonstrate the efficacy and security of their solutions in the controlled environment of the Regulatory Sandbox, before products are released for wider use.

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8. The measures outlined above would also bring in the necessary flexibility and speed necessary to combat the spammers who continually change their tactics and morph their identities to escape detection.
9. The regulations have been crafted to address the legitimate needs of all stakeholders. The framework is user friendly and automated using technological advancements to smoothen processes and to reduce the cost of compliance. The infrastructure may be outsourced and shared, while the unbundling of the functions allows third-party provider to compete for providing best quality solutions at lowest cost. Considering the large volume of messages (between 20 to 30 billion per month), the per unit cost of compliance would be negligible.
10. In case of any clarifications Shri Asit Kadayan, Advisor (QOS), TRAI may be contacted at mail id: advqos@traf.gov.in or at Telephone Number +91-11-23230404.


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