

Telecom Regulatory Authority of India

TRAI releases recommendations on ‘Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India’

New Delhi, 19th June 2023 – The Telecom Regulatory Authority of India (TRAI) has today issued the recommendations on ‘Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India’.

2. Submarine cables are vital digital communication infrastructure of today’s fast-paced global economy and are the lifelines of any country’s communication grid, empowering its business and economic operations. Today, the web of these cables traverses the maritime zones of several countries, connecting people and businesses across the globe.

3. TRAI has received a reference letter dated 12.08.2022 from DoT seeking recommendations on licensing framework and regulatory mechanism for submarine cables landing in India within existing UL-ILD/ standalone ILD license. DoT has raised concern that recently some Indian ILDOs not having any stake in submarine cable system are seeking clearance on behalf of the owners of submarine cable for laying/ maintaining such cables in India and are also applying for setting up of Cable Landing Station (CLS) for such submarine cables. Apart from the issue flagged by DoT, the Authority had suo-moto identified certain other issues related to submarine cables such as (i) Need for Indian Flagged vessel for submarine cable operation and maintenance (ii) Enabling provisions for domestic submarine cable between two or more cities on the coastline of India (iii) Stub-cables – new concept of placing pre-laid “dark fiber” from the CLS through Beach Manhole (BMH) into the territorial waters for upcoming new cables, and (iv) Clarity on terrestrial connectivity between different Cable Landing Stations.

4. Accordingly, TRAI issued a Consultation Paper on ‘Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India’ on 23rd December 2022. The comments and counter-comments received from various stakeholders are available on TRAI website. In this regard, an Open House Discussion (OHD) was also held on 19th April 2023 through video conference.

5. Based on the comments/ inputs received from the stakeholders during consultation process, discussion held during OHD and further analysis of the issues, the Authority has finalized Recommendations on ‘Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India’.

6. The salient features of the recommendations are as follows: -

CHANGES REQUIRED IN LICENSING/REGULATORY REGIME IN VIEW OF THE NEW GENERATION SUBMARINE CABLE SYSTEM.

- (i) Recommendations for two categories of Cable Landing Station (CLS) locations – (a) Main CLS and (b) CLS Point of Presence (CLS-PoPs). The Owner of the Main CLS would seek all the permissions/clearances related to the SMC landing in their CLS in India while the owners of CLS-PoPs will not be required to seek such permissions/clearances. However, owner of CLS-PoPs will be required to fulfil all security and regulatory/ license obligation including establishment of LIM facility. They will also be required to inform Licensor/TRAI about all CLS-PoP locations and their owners.
- (ii) ILD / ISP Category 'A' (with International Internet Gateway) licensees will be allowed to get access and extend their owned or leased dark fiber pair(s) in the submarine cable from the main CLS to their respective CLS-PoP location. However, owners of CLS-PoPs will be required to fulfil all other security and regulatory/ license obligation including reporting requirements and establishment of LIM facility.
- (iii) The revised detailed guidelines and applications for setting up main CLS and CLS-PoPs for submarine cable landing in India under respective ILD and ISP License /authorization, be issued.

OWNERSHIP OF SUBMARINE CABLE LAYING IN INDIA

- (iv) ILD or ISP Category 'A' authorization (with International Internet Gateway) Licensee who applies for seeking permissions for establishing main Cable Landing Stations (CLS) should submit an undertaking that they own and control the asset in Indian Territorial Waters (ITW) and at CLS. Such undertaking should be backed by either proof of ownership of the submarine cable (SMC) assets as well as the assets at CLS OR by a signed agreement with SCM owner/consortium to this effect.

INDIAN FLAGGED VESSEL FOR SUBMARINE CABLE OPERATION AND MAINTENANCE

- (v) DoT should constitute a committee comprising government representatives (from DoT, Ministry of Shipping, Shipyards at Kochi/Visakhapatnam/Mumbai, MHA, Department of Revenues (MoF)) and major ILDOs having stake in SMC to study and recommend the different financial viability models for Indian Flagged Repair Vessels including possible incentives from Government.
- (vi) As a stop gap arrangement, SMC ship repair operators active in Indian Sub continental region may also be approached by this committee to persuade them to relocate and reflag their repair vessels to Indian port, as per requirement.
- (vii) Cable Depot should be identified in both west and east coastline for storing submarine cable and the necessary equipment/ kit for carrying out cable repairs.
- (viii) The Committee proposed above should also be entrusted with the task of suggesting ways and means to facilitate and incentivize (same status of SEZs and Land) setting up of these 'Cable Depots'.
- (ix) The crew members in the survey/repair vessel for submarine laying and repair work having valid work permit of India may be exempted from obtaining clearances repeatedly during permit period.

DOMESTIC SUBMARINE CABLE

- (x) Domestic submarine cables connecting two or more cities on the Indian coastline and to set up CLS for such cables be allowed under NLD License/ authorization with following conditions –
 - a) Domestic traffic through submarine cables will be allowed.
 - b) Wherever required, the Domestic Submarine cable may be permitted to go beyond ITW or EEZ of India for techno- commercial benefits.
 - c) Equal access to facilities at the Cable Landing Stations (CLS) including landing facilities for submarine cables of other NLD license operators on the basis of non-discrimination shall be mandatory.
 - d) Access/ Co-location at the CLS shall be governed by the orders/regulations/directions issued by TRAI from time to time.

- (xi) Domestic and international submarine cables can terminate at the same CLS but with each cable having its own separate network element/ equipment.
- (xii) The requirement of necessary LIM should be based on the nature of traffic carried, being NLD or ILD and owners of CLS should maintain physical separation for terminating domestic and international traffic.
- (xiii) International Submarine Cable should be allowed to carry domestic traffic on dedicated fiber pairs that are provisioned between two Indian cities. Licensee should ensure that such traffic is not transited/ routed through any other country outside India.

TERRESTRIAL LINK BETWEEN TWO DIFFERENT CABLE LANDING STATIONS

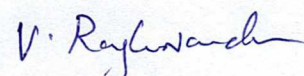
- (xiv) ILD and NLD licenses should explicitly mention that terrestrial connectivity between different CLSs is permitted.
- (xv) ILD license should explicitly clarify that transit international traffic not meant to be terminated in India will be permitted to be transited to other submarine cables through terrestrial as well submarine cable links.

STUB-CABLE (pre-laid dark fiber Submarine cable)

- (xvi) ILD / ISP Category 'A' licensees may be allowed, with prior-permission of licensor, to lay stub-cable (pre-laid dark fiber SMC) and either terminate them in their existing CLS or establish new CLS for such stub-cable with following conditions-
 - a) The stub cables can be laid up to any distance within EEZ.
 - b) The owner of Stub-cable must disclose the details of used and unused dark fiber pairs to licensor/ TRAI annually and seek prior approval from licensor for using/ sharing these dark fibers to other ILDOs.
 - c) The owner of stub must provide access of stub-fiber pair(s) on fair and non-discrimination basis.
 - d) The owner of stub will be allowed, with prior-permission of licensor, to transfer the ownership of stub, if required, to other eligible seeker ILDOs/ ISPs who will be responsible for the LIM and other applicable regulatory compliances.

OTHER ISSUES

- (xvii) 'Essential Services' status be accorded to CLS and Submarine Cables operation and maintenance services. Also, this critical communication infrastructure may be notified as Critical Information Infrastructure (CII) under National Critical Information Infrastructure Protection Centre (NCIIPC).
 - (xviii) Exemption of custom duty and GST on the goods and items required for CLS, and submarine operation and maintenance.
 - (xix) Requirement of a bond by Cable ship repair vessels for availing Customs duty exemptions may be done away with.
 - (xx) The clearances related to Environmental Impact Assessment (EIA) and Coastal Region Zone (CRZ) required for SMC and CLS may also be made online as a part of Saral Sanchar portal.
 - (xxi) In place of mandatory presence of DoT Officials on board, DoT may pursue it with MoD that survey data be collected under supervision of MoD and Indian representatives/responsible licensee officials who shall ensure appropriate safeguards.
 - (xxii) Submarine cable and CLS being a critical asset, a section should be added in the Indian Telecommunication Bill, 2022 to promote, protect and prioritize 'Cable Landing Station' and 'submarine cable' in India.
7. The recommendations have been placed on TRAI's website www.trai.gov.in.
8. For any clarification/information, Shri Sanjeev Kumar Sharma, Advisor (Broadband and Policy Analysis), TRAI may be contacted at Tel. No. +91-11-23236119.



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