Consultation Paper No. 5/2020

Telecom Regulatory Authority of India

Consultation Paper

on

Regulation of International Mobile Roaming Services

New Delhi, India
26th May 2020

Mahanagar Doorsanchar Bhawan

Jawahar Lal Nehru Marg

New Delhi – 110002

Website: www.trai.gov.in

Stakeholders are requested to furnish their written comments by 23rd June 2020 and counter-comments by 7th July 2020 to Shri Kaushal Kishore, Advisor (F & EA-I), TRAI. Comments and counter-comments would be posted on TRAI's website: www.trai.gov.in. The comments and counter-comments may also be sent by email to advfea1@trai.gov.in. For any clarification/information, Advisor (F&EA-I) may be contacted at Tel. No.: +91 11 23230752/Fax No. 23236650.

Contents

Tables

CHAPTER 1
INTRODUCTION AND SCOPE OF CONSULTATION

Scheme of Regulation

1.1. The Telecom Regulatory Authority of India ("**TRAI**"/ "**Authority**") is established under the Telecom Regulatory Authority of India Act, 1997,[1] ("**Act**") to, *inter alia*, protect the interests of consumers of the telecom sector. To this effect, TRAI has been mandated to regulate tariffs for the telecommunication sector in India. Section 11(2) of the Act provides,

"Notwithstanding anything contained in the Indian Telegraph Act, 1885 (13 of 1885), the Authority may, from time to time, by order, notify in the Official Gazette the rates at which the telecommunication services within India and outside India shall be provided under this Act including the rates at which messages shall be transmitted to any country outside India:

Provided that the Authority may notify different rates for different persons or class of persons for similar telecommunication services and where different rates are fixed as aforesaid the Authority shall record the reason therefor."

1.2. In accordance with the aforesaid mandate, TRAI initiated tariff regulation for the telecommunication services in India with the notification of Telecommunication Tariff Order, 1999,[2] issued on 9th March 1999 ("**TTO**"). The TTO has been amended from time to time considering the

[1] A copy of the Telecom Regulatory Authority of India Act, 1997 is available on https://trai.gov.in/sites/default/files/The_TRAI_Act_1997.pdf

[2] A copy of the Telecommunication Tariff Order, 1999 along with subsequent amendments is available at https://trai.gov.in/release-publication/regulations/amendments-page/91253

changes in the sector landscape, and hereinafter the TTO as amended from time to time is referred to as the "**Tariff Order**".

1.3. To enhance the transparency in information flows in the telecom service sector from the service providers to the subscribers, TRAI issued the Telecom Consumers Protection Regulations, 2012,[3] dated 6th January 2012 ("**TCPR**"). The service providers are required to comply with various requirements on the aspects of: (i) presentation and marketing of various tariff vouchers; and (ii) mandatory information to be given to pre-paid consumers.

1.4. In addition to the Tariff Order and TCPR, TRAI has been issuing various directions under Section 13 of the Act to ensure efficient and effective discharge of its functions under the Act.

Scope of Consultation

1.5. The various regulations, directions, etc., issued by TRAI are reviewed and amended, if required, from time to time considering the change in sector landscape or considering the specific issues relating to the functioning of the telecommunication sector. The present consultation paper focusses on the review of the regulatory framework to prevent instances of bill shocks to consumers availing International Mobile Roaming Service ("**IMR Service**").

1.6. The consultation exercise is focused on identifying specific causes of bill shocks to consumers while availing the IMR Service, to evaluate the extant regulatory framework for adequacy to deal with the issue, to

[3] A copy of Telecom Consumers Protection Regulations, 2012 along with subsequent amendments is available at https://trai.gov.in/sites/default/files/Consumer_Protection_Regulations%202012.pdf and subsequent amendments

evaluate the range of voluntary policies and measures adopted by TSPs in India to prevent instances of bill shocks to their respective subscribers, and the need for revision of regulatory framework and to make suitable changes in the regulatory framework.

CHAPTER 2:
AN OVERVIEW OF IMR SERVICES

Introduction

Definition of IMR Service

2.1. IMR Service is a service that allows a customer of a mobile operator in one country to obtain service (voice, SMS or data) from an operator in another country using the same handset and mobile number, facilitated by a common technology and a wholesale inter-operator contract[4].

How Does the IMR Service Work?

2.2. The key to provision of IMR Service is the "Roaming Agreements" between the "Home Operator" and the "Visited "Operator". These agreements form the basis for allowing the subscriber of a Home Operator to avail various telecommunication services using the network of the Visited Operator. The Home Operator has to pay the Visited Operator for the usage by its subscriber at agreed wholesale rates, while the Home Operator will charge its subscriber at retail rates[5].

Are There Any Substitutes of the IMR Service?

2.3. Apart from availing the IMR Service, there are a few other options available to the consumers to use mobile services while travelling abroad viz., usage of public Wi-Fi systems or Wi-Fi facilities provided at the place

[4] OECD (2013-06-03), "International Mobile Roaming Agreements", OECD Digital Economy Papers, No. 223, OECD Publishing, Paris. http://dx.doi.org/10.1787/5k4559fzbn5l-en

[5] Inputs from "International Roaming Explained" published by GSMA available at https://www.gsma.com/publicpolicy/wp-content/uploads/2012/09/Asia-International-roaming-explained-English.pdf

of stay, or buying a local pay-as-you-go SIM card in the visiting country or opting for international SIM card from providers of such services. The OECD Paper on International Mobile Roaming Services[6] considers the issue of substitutability of alternative calling procedures (ACPs) with IMR Service and notes that *"though some of them (alternative calling procedures) are becoming increasingly seamless, they still fail to be perfect roaming substitutes. Their main drawbacks are the loss of incoming calls to the customer's usual number, lack of mobility (hotel phones, payphones, international calling cards), language barriers (purchasing a local SIM-card), technical and commercial constraints (mobile or fixed VoIP calls, etc.). Even though ACPs are not likely to become a widespread alternative to roaming, their use should be promoted, and consumers should be more aware of them in order to make an informed choice."*

2.4. What emerges from above is that IMR Service has certain unique characteristics, which makes it a naturally preferred option in comparison to the ACPs.

Concerns Relating to the IMR Service

2.5. The uniqueness of IMR Service vis-à-vis other alternatives implies a *de facto* monopoly of the Home Operator and raises concerns of any potential abuse of monopoly power resulting in adverse consequences for the consumer, be it in the form of abusive tariffs (including both higher rates and adverse-related conditions of the usage) or a general lack of transparency in the communication of tariffs leading to a situation of bill shocks.

[6] OECD (2010-03-29), "International Mobile Roaming Services: Analysis and Policy Recommendations", OECD Digital Economy Papers, No. 168, OECD Publishing, Paris. http://dx.doi.org/10.1787/5kmh7b6zs5f5-en

2.6. The concerns relating to abusive tariffs and bill shocks are universal; and have received a lot of attention, not only from the various national regulatory agencies but also by organizations such as ITU, OECD, and GSMA. The International Mobile Roaming Strategic Guidelines published by ITU in 2017[7] ("**ITU IMR Guidelines**") lists (i) price regulation; and (ii) consumer protection amongst the key IMR regulatory issues.

2.7. Accordingly, the following section discusses in detail the issues of price regulation and protection of consumers from bill shocks.

<u>Price Regulation of IMR Services</u>

2.8. The ITU IMR Guidelines note that "*Price regulation of IMR at the national level is not very effective if carried out unilaterally by one country, since the only regulated prices concern national operator retail margins imposed on wholesale roaming charges for national clients when roaming internationally, on the one hand, or on wholesale charges imposed by national operators on foreign operators entering into roaming agreements on the other.*[8]" It suggests that bilateral and regional agreements are more effective in lowering the IMR prices[9].

2.9. Accordingly, the ITU IMR Guidelines[10] list, *inter alia*, the following pricing principles that may be followed by national regulatory agencies:

- *"NRAs will promote **<u>fair and transparent pricing</u>** of IMR services and ensure that consumers are paying for only the services used (e.g. wholesale and retail IMR services per second or kb for data).*

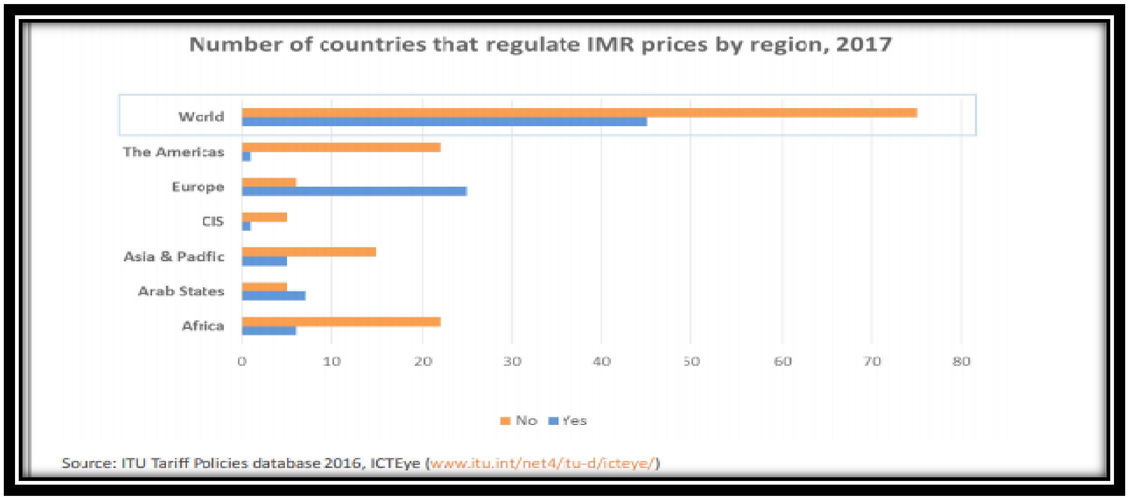
[7] For details, please refer https://www.itu.int/dms_pub/itu-d/opb/pref/D-PREF-EF.MIR03-2018-PDF-E.pdf
[8] ibid
[9] ibid
[10] ibid

- *NRAs will promote that **<u>prices for IMR services should be cost-based and not be too excessive</u>** in comparison with prices charged for the same services at national level.*
- *NRAs will consider that **<u>roaming regulation not to lead to MNOs incurring losses</u>** on the provision of roaming services, recognizing different cost basis for roaming services.*
- *NRAs will collect wholesale and retail cost and price data in order to benchmark progress in reducing prices. **<u>NRAs need to have the authority to collect information on wholesale IMR rates</u>** charged by their national operators to foreign operators, including inter-operator tariffs.*
- *If NRAs determine that market dynamics are insufficient to produce reasonably competitive wholesale prices, they **<u>are encouraged to regulate wholesale roaming prices</u>**, including by reaching bilateral or multilateral agreements, as appropriate, and/or through the introduction of price caps based on commonly established principles. As a last resort, **<u>implement retail price regulation to protect customers from paying excessive prices for using roaming services" (emphasis added).</u>***

2.10. Despite some limitations of price regulation of IMR Service, considering the details of ITU Tariff Policies Database – 2016[11], it appears that price regulation targeting IMR retail prices is still practiced by many countries across the world, particularly in the European region, Africa, Asia–Pacific and Arab regions. The extent of price regulation based on findings of ITU is represented in Figure 1[12].

[11] ibid
[12] ibid

Figure 1: Number of Countries That Regulate IMR Prices by Region, 2017



<u>Consumer Protection Issues – Bill shocks</u>

2.11. Bill shock is understood as, *"the negative reaction a subscriber can experience if their phone bill has unexpected charges"*[13]. Most of the regulatory bodies across the world overseeing the telecommunication sector have been receiving a significant number of consumer complaints related to billing issues. Based on the complaints, some of the regulatory authorities also initiated consumer surveys and found that the scope of consumers being affected by bill shocks is significantly high. As per the information available on the website of Federal Communication Commission[14] (FCC), the Telecom Regulator of United States of America, 30 million Americans or one in six mobile users have experienced bill shock that is not caused by the change in service plans initiated by the users.

[13] OECD (2013-04-17), "OECD Consumer Policy Toolkit Workshop on Communication Services: Summary of Proceedings", OECD Digital Economy Papers, No. 221, OECD Publishing, Paris. http://dx.doi.org/10.1787/5k480t1g546j-en

[14] https://www.fcc.gov/general/bill-shock

2.12. Considering the scale and scope of adverse effects that bill shocks have on consumers, it becomes important to examine the reasons for the same. One primary reason is, the fact, that the mobile tariffs are generally complex due to multiplicity of tariff components and associated terms and conditions. There are three broad tariff components viz. tariff for (a) voice calls (b) data and (c) SMS; the TSPs generally come up with multiple tariffs containing a different mix of the entitlements in respect of voice calls, data, and SMS. This is done to match the expectations of a diverse customer base with differing needs. The multiple tariff offerings and accompanying terms and conditions, though may be inherent to the functioning of the telecom sector, do add to the complexity of the pricing framework and inevitably creates a possibility of bill shock due to the lack of transparency in the communication of the tariff offer on the part of the TSP or a lack of understanding on the part of the consumer or a combination of both.

2.13. Though, as stated above, a situation of bill shock can arise even in routine usage of mobile services; the same has been felt by a significant number of consumers roaming internationally, i.e., while availing the IMR Service.

2.14. The ITU IMR Guidelines consider empowering consumers and allowing them to gain access to the necessary information via transparency of prices and greater awareness, which allows them to become "informed consumers". As one of the key objectives of ITU IMR Guidelines notes:

"*This would enable customers to better manage their consumption of roaming services, take the necessary measures to avoid inadvertent charges, and choose the best offer when roaming internationally. In addition, all stakeholders should work together to improve transparency* *of prices, to provide consumers with more awareness about the prices that they may face when travelling outside their home country.*[15]"

2.15. The empowerment of consumers by enhancing availability of information has been the preferred approach for most of the national regulatory agencies. As per the ITU Tariff Policies Survey available on the website of ITU, the details of the measures followed and the number of countries in various regions following the approach is presented in Table 1[16]:

Table 1: Measures applied by Operators to avoid risk of bill shocks due to usage of IMR Service

Measures	Countries						
	The Americas	Europe	CIS	Asia–Pacific	Arab States	Africa	Total
Suspending service when usage exceeds the spending limit fixed	15	22	3	11	5	8	64
Home operator sends alert SMS to customer informing he/she is reaching the agreed roaming spending limits	14	32	2	14	6	9	77
Mobile operators in the visited country send	8	4	1	4	5	16	38

[15] Supra 7

[16] International Mobile Roaming – All about IMR 2018 available at https://www.itu.int/en/ITU-D/Regulatory-Market/Documents/Roaming/IMR_Infographics_2018.pdf

SMS with roaming prices to visiting customer (according to IMR agreements)							
Home operator sends SMS to inform his customers of their roaming tariffs when they arrive in another country	20	31	3	16	10	19	99

Extant Regulatory Framework in India

2.16. The extant regulatory framework in India does not provide for price regulation of IMR Service. The Authority has followed and expanded the scope of forbearance regime over the years, and given the service providers the freedom to design the tariffs suited to the prevailing market conditions in relation to most of the telecommunication products including IMR Service.

2.17. As regards protection of consumer interests while availing IMR Service, the Authority has mandated *vide* sub-clause (4) of clause 10A of Telecom Consumers Protection (Eighth Amendment) Regulations, 2015, that,

"Every service provider shall, through SMS or USSD, provide to all consumers of the Cellular Mobile Telephone Service, having international roaming facility on their mobile connection, an alert, immediately after the

consumer roams outside the territory of India, advising the consumer to deactivate the data services in his mobile phone if he does not intend to use data services while roaming outside the country.[17]*"*

2.18. It is observed that the existing regulatory framework is not sufficient to address the issues relating to the provision of IMR Service. Accordingly, it was decided to review the entire process of provision of IMR Service to identify issues requiring regulatory intervention and amend the regulatory framework. The next chapter discusses the IMR Service process and identifies issues for consultation.

[17] Supra 3

CHAPTER 3

IMR SERVICE PROCESS AND IDENTIFICATION OF ISSUES FOR CONSULTATION

Activation of International Roaming

3.1. The first prerequisite for availing the IMR Service is to ensure that the mobile phone is set up to be used abroad, i.e., international roaming is activated on the subscriber's account. There is no standard approach to the "activation" of international roaming. The service providers may follow any of the following approaches:

(i) requiring the subscribers to request for activation of international roaming

(ii) pre-activating the international roaming or

(iii) automatically activating the international roaming when a customer lands abroad. The service providers may have different activation policies for different types of subscribers viz., prepaid, or postpaid subscribers. Further, the service providers might have different policies for individual subscribers of the same type, based on some other considerations.

3.2. Accordingly, a review of activation policies followed by services' providers in India was undertaken and it was observed that different service providers are following different policies. Some service providers are providing pre-activated international roaming for prepaid subscribers and requiring postpaid subscribers to activate international roaming, while some service providers are requiring both postpaid and prepaid subscribers to activate international roaming. Further, the policies are also seen to be varying by the licensed service areas (LSAs) and destination countries.

3.3. The knowledge of the exact status of the activation of international roaming is critical. There may be subscribers who, for any reason including the ignorance of requirement of activation, do not activate the IMR Service before proceeding to travel abroad; and are left stranded in an alien place due to the lack of access to the telecom services. Similarly, if the IMR Service is preactivated or automatically activated, subscribers unaware of the activation might carry their mobile phones while travelling to other countries, and without any intention of using voice calls/data/SMS might end up inadvertently with huge bill payment liabilities. The automatic activation of roaming may turn out to be a cause of bill shock for them due to the data usage in the background by the installed applications even when not using the phone actively, the applications installed on the phone may be using mobile data in the background leading to a huge data bill.

3.4. Considering that: (i) activation of international roaming is a prerequisite for availing IMR Service abroad; (ii) there are myriad policies followed by the service providers in this regard; and (iii) lack of knowledge in this regard may result in severe adverse consequences to the consumer, it may be worthwhile to either standardize the approach or strengthen the communication process or to require the above said measures.

3.5. The process/knowledge of activation of international roaming is also related to the next step in the IMR Service flow i.e., selection of tariff. In the Indian context, most of the service providers are offering tariffs in the form of "Standard Rates" and "IR Packs". The Standard Rates imply that the service providers charge based on actual usage. The rates are expressed for all calls in terms of Rs. /min, outgoing SMSs in terms of Rs./SMS and Data in terms of Rs./10kb. As against the above, the IR

Packs are offered for different number of days and allows the benefit of free calls/SMS/Data over a specified range.

3.6. In the existing scenario, any consumer who initiates the exercise for selection of tariff is already aware or becomes aware of the status of activation of the IMR Service during the process of selection of tariff. Thus, if the IMR Service is disabled as a default and the same is activated only on the selection of tariff, be it the standard tariffs or the IR Packs, the consumer would be forced to go through the applicable tariffs and would be in a position to make an informed decision. In such a framework, even the service providers will be incentivized to reach the consumer with the tariff offerings lest they lose business if the consumer proceeds on roaming without the selection of tariff as roaming would be disabled. Linking the two initial steps can thus potentially remedy the bill-shock cases to some extent.

3.7. Another related initiative that may be considered is when the consumer makes a tariff selection, the details of the activation of roaming, and the details of the applicable tariff should be informed to the consumer immediately by a SMS, and through an email, if the same is shared by the consumer. While the information to be sent by email should be exhaustive and should contain all applicable terms and conditions, the information to be communicated by SMS may include the basic details and contain a link for complete details. In the event the consumer is unable to receive the SMS or email, a short-code requirement may also be introduced whereby the consumer can send a short code to obtain the details through SMS and/or email.

3.8. This brings us to the first set of issues for consultation:

Question 1: Should not the IMR service remain inactive at the time of issue of the sim till the same is activated by the

subscriber as a part of the IMR tariff-selection exercise? Please elaborate your submissions.

Question 2: Should it not be mandatory to communicate the details of activation and applicable tariff immediately by SMS or email on completion of the tariff-selection exercise by the subscriber? Please give your views.

Question 3: Should not the tariff details and related terms and conditions be communicated to subscribers of IMR service by SMS and /or email as soon as the phone is switched on in the visiting country by the subscriber. Please elaborate your views.

Tariff Offerings and Selection of Applicable Tariff

3.9. Regardless of automatic activation/pre-activation or activation of IMR Service based on request, the next issue from consumer perspective is evaluation of tariff offerings and selection of suitable tariff.

3.10. It is observed that the tariffs for IMR Service are generally offered in the form of Standard Rates and IR Packs. Intuitively, it may be said that the Standard Rates which allow the subscriber to pay only for actual usage may be relevant for a low user. However, even a cursory glance of tariff offerings of all the TSPs show that standard rates are significantly higher than the rates offered under the IR Packs. Illustratively, an incoming call while roaming in the USA is being offered at as high as Rs. 90 per minute and calls to India from the USA at Rs. 180 per minute, while the one-day pack with unlimited incoming calls and 100 minutes of calls to India is being offered at Rs. 575/-. The IR Packs on the other hand while offering relatively less costly tariffs suffer from the rigidity in terms of period of offering. The widespread trend is to offer IR Packs for 1 day, 7 days, and 30 days, and resultantly the consumers desirous of availing the IMR Services for a different period must bear the disproportionate burden. Illustratively, if the least cost one-day IR Pack is available for Rs.575/- and the next IR Pack is available for Rs. 2875/- for 7 days, the effective cost to consumer for any period in between will be substantially higher than the least cost per day.

3.11. Considering the significant differences between the Standard Rates and IR Packs, it becomes important to examine whether the differences have strong economic/commercial rationale to merit such a distinction and whether the perceived benefits outweigh the adverse effect on consumers who may be subjected to bill shocks because they availed much less volume of services but did not opt for an IR Pack? This is particularly relevant considering that any rational consumer who is aware of such a distinction will opt for an IR Pack and thus any lapse in this regard will purely be borne out of ignorance of the consumer. Though, this situation will be helped to some extent if the regulatory framework is amended on the lines discussed above. However, notwithstanding the outcome of consultation process on the same, the huge disparity between Standard Rates and IR Packs needs review.

3.12. In this regard, it has been observed that some service providers are offering protection from bill shocks by automatically activating pack benefits, albeit only for a few countries, if the billing on standard rates cross the daily pack value. This offering suggests that the service providers have the flexibility to apply IR Pack rates even when the consumer has not specifically asked for the same before undertaking travel abroad. Such policies may imply that from TSP perspective, there is no strong commercial logic behind the distinction between Standard Rates and IR Packs; and, therefore, the aforesaid distinction is not to facilitate the requirements of a low user or a high user, but to disincentivize a subscriber who does not subscribe to IR Packs and in effect the same may purely be functioning just as a bill-shock trap. This brings us to the next issue of consultation.

Question 4: Please give your views on the significant differences in tariffs for IMR Service under Standard Rates and IR Packs. Furthermore, your views are solicited as to how these two rates can be rationalized.

Question 5: Should not the IR packs apply automatically the moment subscriber's expenses on IMR Services exceed the corresponding daily IR Pack rate unconditionally for all the countries for which the service provider is offering IR Packs?

3.13. Another issue which has been observed in charging for IMR Service relates to rigidity in terms of chargeable days in the IR Packs. It is seen that IR Packs are presently being offered for a period of 1, 7, and 30 days by most of the TSPs. However, one TSP has introduced an IR Pack wherein a subscriber will be charged the IR Pack rate only when the subscriber uses the phone for calls, data or sending a SMS. Further, the subscriber will be charged the IR Pack rate and extended benefits under the IR Pack for 24 hours following the first use in terms stated above. This approach allows the subscriber to pay only for days the IMR Service has been used and not for a pre-specified duration of days. Such a provision makes it more transparent and convenient for subscribers to avail IMR Services.

3.14. We have surveyed the policies followed by telecom operators in other jurisdictions. It was observed that AT&T, one of the leading TSPs in the United States of America offers an "International Day Pass" ("**IDP**") at

U.S. $10 daily fee for its subscribers' travelling to India. As per the terms of offer disclosed on the website of AT&T[18], the fee is charged when the subscribers use data, make or receive a call, or send a text message in the visiting country while the text messages received do not trigger a daily fee. Further, the fee covers additional data, calls and text messages for 24 hours from the initial use. Also, the fee is charged for all subsequent 24-hour periods in which the subscriber uses data, makes, or receives a call or sends a text message. As regards plan entitlements, the IDP allows the subscribers to use the data from their home (USA) wireless plan and get unlimited talk and text. A perusal of the aforesaid tariff offering by AT&T reveals that (i) the charges are delinked from the calendar-day concept and are triggered only upon its first use; (ii) the subscriber will only be charged for each period of 24 hours in which the subscriber uses the phone as specified, which means the subscriber is not forced to take a multiple-day plan exceeding the travel period and rather even during the actual stay period, the subscriber is required to pay only for those 24-hour periods in which the phone has actually been used. Verizon, another telecom service provider in the USA also provides a similar U.S. $10 Travel Pass for travel to India[19].

3.15. Apart from the practices followed by the TSPs in the USA, the Authority also noted the tariff practices followed by the TSPs in the U.K. As per the details available on the website of Vodafone UK, India is considered as a "Roam further" destination which implies that the subscribers of Vodafone UK are charged GBP 6 a day to use their U.K. allowance of data, minutes and texts[20]. A day is defined as midnight to 23:59 in the capital of the visiting country[21].

[18] Please refer AT&T website for more details https://www.att.com/offers/international-plans/day-pass.html
[19] https://www.verizonwireless.com/support/travelpass-faqs/
[20] Information accessed on https://www.vodafone.co.uk/explore/costs/travelling-abroad/index.htm
[21] ibid

3.16. Though, the above tariff offerings are indicative, these are beyond a doubt representative of the best practices followed in other jurisdictions and that too for travel to India. Further, one TSP has already introduced such practices in India. Accordingly, based on the above discussion, the following issues of consultation are identified.

Question 6: Can IR Packs presently offered for one day duration be used to subscribe for multiple days to avail IMR Service? Whether the TSPs be mandated to permit combination of different IR plans as per requirement of the consumer? Please elaborate your submissions.

Question 7: Why should not the IMR tariff be counted in 24 hour format on the first use of data, making or receiving a call or sending a text message and renewing the charges for only those 24-hour periods in which the services have been used rather than on calendar day basis .? Please elaborate your submissions.

Other Consumer Protection Measures

3.17. To ensure complete protection of consumer interests, a two-pronged approach focusing on increasing the consumer awareness on one side and requiring the TSPs to provide complete information in a timely manner on the other side is required. TRAI is already in the process of strengthening the advocacy initiatives as regards IMR Services are concerned. TRAI plans to introduce an advocacy booklet containing detailed discussion on the causes of bill shocks and how can consumers protect themselves from the same.

3.18. As regards the measures which can be introduced on the TSP side, TRAI considered the practices followed in other jurisdictions. As per the ITU Tariff Policies Survey 2016[22], most of the countries have taken measures to prevent bill shocks from usage of IMR Services. The measures taken generally include informational measures such as requiring the TSPs to send text messages to (i) inform roaming tariffs when the subscribers arrive in another country; and (ii) alert the subscriber when he/she is reaching the agreed spending limit. Another measure which has been mandated by many countries is to suspend service when usage exceeds the spending limit.

3.19. The need for communicating tariff and related conditions to the consumer has already been discussed above. The next measure that needs discussion is the provision of information to the consumer on the exhaustion of plan benefits and the status of the spending limit reached. In this regard, the first issue, which needs to be deliberated is the time lag in updating spending by the consumer. The review of the terms and conditions placed by one of the telecom service providers revealed that usage can be tracked on their app, where data usage will be available real time but voice/SMS usage update can be delayed by 24 to 48 hrs. Based on the same, it is observed that if the data usage can be tracked in real time, it may also be technologically feasible that SMS alerts can be sent to the consumer when the data usage exceeds certain pre-established milestones such as 50%, 80%, 90%, and 100% of the data entitlement. As regards the voice and SMS usage, it is important that the delay is kept as minimum possible and the practices be consistent with the international best practices in this regard. Thus, it would be appropriate to solicit the views of the stakeholders on these issues.

[22] Supra 16

Question 8: In consumer interest why it should not be mandated for the service providers to send updates in respect of the data usage exceeding certain pre-established milestones such as 50%, 80%, 90% and 100% of the data entitlement? Please give your views.

3.20. The second major cause of bill shocks apart from exceeding the plan entitlements is using the mobile phone in countries not covered under the service subscriber. This may so be the case for multi-country travel on a single visit or cruise rides, etc. In such cases, some further consumer protection initiatives may be required. One such initiative can be to immediately send a SMS to the subscriber when the subscriber lands in a country/area not covered under the IMR Services subscribed. Along with the alert, another SMS communicating applicable tariff may be required to be send to the subscriber just like at the time of activation of IMR Services. The third possible initiative can be to make mobile data inactive as the default option in such cases. Thus, the next issues for consultation are:

Question 9: Will it not be advisable to mandate the TSPs to inform the subscriber by SMS every time the subscriber lands in a country/area not covered by the IR Pack subscribed, of the fact of roaming in an uncovered zone, and the tariffs applicable thereto? Would the aforesaid requirement suffice or whether alongside this, the TSPs be mandated to keep the mobile data in the inactive mode and activate only in accordance with the directions of the subscriber? Are there any other measures that can be taken to cover the situation as detailed?

3.21. There may be certain situations in which the consumer may exceed the plan entitlements and incur substantial cost due to the usage of services beyond the permitted limits. Therefore, apart from the information communication requirements, it might also be appropriate to put in place certain further consumer protection measures to ensure that the consumer is protected from the bill shocks in this regard. There are several measures that can be taken such as:

a. Requiring the TSPs to bar the usage of any/all of the services once the plan entitlements are reached, and reactivating only on the explicit directions of the subscriber which can be availed through SMS, Mobile Application, Website, etc. or
b. Capping the amount that can be charged to the consumer in any situation to the amount of the credit limit fixed by the TSP for the subscriber or any other limit pre-agreed by the consumer at the time of activation of the IMR Service,
c. Requiring the TSPs to charge for another daily IR Pack if the usage exceeds the entitlements given in an IR Pack instead of levying the Standard Rates after the usage exceeds the plan entitlements.

Question 10: What are your views on the measures suggested in para 3.21 to protect the consumer from bill shocks dues to usage of services beyond the pack entitlements? Please provide your views on each of the above measure and suggest additional measures, which in your opinion can be helpful in addressing the issue.

Question 11: Any other issue relevant to the subject discussed in the consultation paper may be highlighted.

CHAPTER 4

ISSUES FOR CONSULTATION

In view of the discussion in the preceding chapters the following questions are raised for comments of the stakeholders. Responses to the questions are solicited with justification.

Question 1: Should not the IMR service remain inactive at the time of issue of the sim till the same is activated by the subscriber as a part of the IMR tariff-selection exercise? Please elaborate your submissions.

Question 2: Should it not be mandatory to communicate the details of activation and applicable tariff immediately by SMS or email on completion of the tariff-selection exercise by the subscriber? Please give your views.

Question 3: Should not the tariff details and related terms and conditions be communicated to subscribers of IMR service by SMS and /or email as soon as the phone is switched on in the visiting country by the subscriber. Please elaborate your views.

Question 4: Please give your views on the significant differences in tariffs for IMR Service under Standard Rates and IR Packs. Furthermore, your views are solicited as to how these two rates can be rationalized.

Question 5: Should not the IR packs apply automatically the moment subscriber's expenses on IMR Services exceed the corresponding daily IR Pack rate unconditionally for all the countries for which the service provider is offering IR Packs?

Question 6: Can IR Packs presently offered for one day duration be used to subscribe for multiple days to avail IMR Service? Whether the TSPs be mandated to permit combination of different IR plans as per requirement of the consumer? Please elaborate your submissions.

Question 7: Why should not the IMR tariff be counted in 24 hour format on the first use of data, making or receiving a call or sending a text message and renewing the charges for only those 24-hour periods in which the services have been used rather than on calendar day basis .? Please elaborate your submissions.

Question 8: In consumer interest why it should not be mandated for the service providers to send updates in respect of the data usage exceeding certain pre-established milestones such as 50%, 80%, 90% and 100% of the data entitlement? Please give your views.

Question 9: Will it not be advisable to mandate the TSPs to inform the subscriber by SMS every time the subscriber lands in a country/area not covered by the IR Pack subscribed, of the fact of roaming in an uncovered zone, and the tariffs applicable thereto? Would the aforesaid requirement suffice or whether alongside this, the TSPs be mandated to keep the mobile data in the inactive mode and activate only in accordance with the directions of the subscriber? Are there any other measures that can be taken to cover the situation as detailed?

Question 10: What are your views on the measures suggested in para 3.20 to protect the consumer from bill shocks dues to usage of services beyond the pack entitlements? Please provide your views on each of the above measure and suggest additional measures, which in your opinion can be helpful in addressing the issue.

Question 11: Any other issue relevant to the subject discussed in the consultation paper may be highlighted.

List of Acronyms

TRAI	Telecom Regulatory Authority of India
TTO	Telecommunication Tariff Order, 1999
TCPR	Telecom Consumers Protection Regulations, 2012
TSPs	Telecom Service Providers
SMS	Short Message Service
OECD	Organization for Economic Co-operation and Development
ACPs	Alternative Calling Procedures
ITU	International Telecommunication Union
GSMA	GSM Association
FCC	Federal Communication Commission
LSAs	Licensed Service Areas