



VERIZON COMMUNICATIONS INDIA PRIVATE LTD
World Mark -3, 3rd Floor, Unit No 305
Asset No 7, Aerocity, IGI Airport
New Delhi , India 110037

Date: May 20, 2019

Shri Vinod Kumar
Jt. Advisor (NSL)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg
New Delhi - 110 002

Ref: **Verizon Response to TRAI's Consultation Paper [No. 02/2019] dated March 29, 2019 on Review of Terms and Conditions for registration of Other Service Providers (OSPs)**

Dear Sir,

Verizon Communications India Private Limited ("**VC IPL**") welcomes the opportunity to provide inputs on the important consultation to review the terms and conditions for registration of OSP's issued on March 29, 2019.

As rightly recognized in the paper, the Indian IT, ITES and BPO companies have carved out a great niche for themselves in the global IT market leveraging the expertise to help them gain competitive advantage. The success of this vital sector has been fostered by a light touch regulatory approach. However with the technology evolving at a faster pace, the regulatory framework needs to constantly evolve to ensure it stays relevant to meet the requirements of all the entities in the digital ecosystem.

Therefore the paper is both timely and much needed to review current landscape, market drivers and technological advancement to promote long term sustainable competition and growth in the digital economy benefitting the consumers and businesses alike. We are especially supportive of the proposed policy approach that seeks to devise a technology neutral framework to promote innovation for setting up the OSP service delivery platform in a technology agnostic, cost efficient manner for faster promotion of OSPs in the country to fulfill BPM requirements.

We hope our comments will merit your consideration. In addition to our response on specific issues raised in the consultation, we also support the over all response filed by our trade association i.e. Association of Competitive Telecom Operators (ACTO).

Regards

Priya Mahajan
Head of ASPAC Public Policy & Regulatory Counsel
Public Policy, Law & Security
Verizon Business Group

Verizon's response to the specific questions raised in the consultation paper:

Q.1 Please provide your views on the definition of the Application Service in context of OSP. Whether, the Application Services which are purely based on data/ internet should be covered under Application Service for the purpose of defining OSP.

&

Q.2 Whether registration of OSP should be continued or any other regulatory framework should be adopted for OSPs so that the purpose of registration specified by government is met. Please furnish your views with justification

The definition of "Application Service" under the guidelines dated August 5, 2008 is too broad and encompasses a broad range of activities with unintended consequences.

The definition of Application services needs to be reviewed and should not include any service that rides on an application. Instead the OSP should apply to the outsourcing activity and not mere application based service. Rather the outsourcing services can be seen as business activity for OSP purposes.

Thus reference to Application based services needs to be removed and instead be replaced with the word "Outsourcing Services" that may be a more appropriate and relevant definition.

The definition of Application services should be decoupled from current services to delivering telephony (TDM/VOIP/Hosted/On-premise) enabled services.

We further suggest that the services which are purely based on data should not be covered under OSP activities. We recommend that only voice based calling services should be included in the definition such as voice calling can be through PSTN. Additionally captive centers providing such services internal to a company or a group company should be exempted from OSP registration. The third party OSP entity that supports the foreign entity with captive requirements should be exempted so long it is relying purely on data based services.

It is important to note that the existing OSP registration process needs to be dispensed with as it has failed to meet the original intent which was meant to be a light touch framework to promote the IT/BPO sector. Instead the OSP registration has now become a major impediment to the growth of the OSP's because of the restrictive interpretation especially around data residency, infrastructure localization, inspections and audits. As such there are no special privileges available today for OSP's when compared to non OSPs.

In order to meet the legitimate requirements, there may be a notification based light touch regulatory framework for OSP's which is simplified and incentivizes the companies to continue to invest and innovate.

Q.3 What should be the period of validity of OSP registration? Further, what should be validity period for the renewal of OSP registration?

Q.4 Do you agree that the documents listed above are adequate to meet the information requirements for OSP registration? If not, please state the documents which should be added or removed along with justification for the same.

As mentioned in the preceding section, OSP should be a notification based framework so, it should be left to the OSP entity to intimate to DoT if it wishes to stop undertaking OSP activities. The validity of OSP registration has failed to serve a purpose as this is not a License or a privilege to provide telecom services..

The documents listed in the OSP guidelines are excessive in nature leading to duplicative and onerous obligations. Rather OSP should be asked to submit Corporate information that will enable the verification through the MCA portal. We suggest a single page intimation format may be prepared by DOT seeking corporate information of the entity. The information can be verified at MCA portal or similar e-Gov portals. The multiplicity of documents to meet the requirements for OSP registration are resulting in information fatigue, thus needs to be minimal and proportionate..

Q.8 Do you agree with the terms and conditions related to network diagram and network resources in the OSP guidelines? If not, please suggest suitable changes with justification.

We believe the terms and conditions related to submission of network diagram depicting network resources in the OSP guidelines are onerous and resulting in duplicative compliance requirements that are burdensome for the businesses. As envisaged in the OSP policy, the network resources to OSP can only be provided by licensed telecom service provider, further the Telecom License mandates that TSP's can provide resources to only authorized OSP's, therefore this a dual obligation for both OSP & TSP to comply with their respective license terms and conditions. Therefore there is no justification to submit network diagram by the OSPs as both the entities will ensure that resources are taken from licensed service provider who is also obligated under its license to ensure proper use of telecom connectivity. So DoT should not seek details which are not needed from registration perspective.

Intimation format should contain information about the type of OSP i.e. domestic or international. It should be clear that in case of mixed operation, logical separation to be maintained with technical proof of separation.

Q.9 Do you agree with the provisions of internet connectivity to OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

We recommend that the provisions of internet connectivity to OSP mentioned in the OSP guidelines needs to be reviewed to align with the market realities. The mandate for OSP to procure internet connectivity from Indian ISP – IP address should be in the name of Indian entity and address should be done away with as the resources may have been procured by the global affiliate for global connectivity requirements of the enterprise user so long as the traceability of the user is ensured.

The provisions for OSP to procure Internet connectivity from licensed ISP in India should be suitably aligned to enable IPv4 & IPv6 assignment & registration to be maintained at either or both APNIC and IRINN. As IPv4 has become sparse resource, OSP's, those who want to own their IPv4 resources, should be permitted to purchase IPv4 from other IP registry and port it to either APNIC or IRINN at their own cost in order to comply maintaining records of IPv4

resources & traceability to physical location address. The ownership of IPv4/IPv6 resources & maintaining records lies with OSP in case OSP has procured IP's at their own.

Therefore we recommend that the provisions of internet connectivity to OSP mentioned in OSP guidelines need to be reviewed to align with IPv4 portability.

Q.11 Do you agree with the provisions of logical separation of PSTN and PLMN network resources with that of leased line/ VPN resources for domestic OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

&

Q.12 Do you agree with the provisions of PSTN connectivity/ interconnection of International OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

Digital transformation and emerging technologies are changing the way people interact with each other. Today's workforce demands more than just voice solutions, and instead, require a complete integrated communications solution that lets them interact with ease, in ways that they prefer. However current Telecom licensing regime in India does not permit integrated communication solutions or convergence of networks, services and devices. For eg: There are restrictions on IP-PSTN & IP- Leased Line /VPN interconnectivity as regulatory framework mandates that Voice over IP (VoIP) systems and PSTN systems should be physically separated from interconnection perspective.

These artificial barriers are slowing down the adoption of new age digital services thereby severely undermining india's ability to compete in a highly competitive market. The current review process is the right opportunity to review the existing restrictions pertaining to IP-PSTN as well as IP- Leased Line /VPN interconnectivity to ensure the benefits of convergence can be leveraged across the ecosystem.

Additionally PSTN connectivity/interconnection of International OSP should be allowed on both India end in addition to foreign end. This would incentivize OSP to set up the OSP center to reap the benefits of a truly converged regulatory framework.

Q.16 Do you agree with the provisions of general conditions for sharing of infrastructure between International OSP and Domestic OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

&

Q.17 Do you agree with the provisions of Technical Conditions under option -1 & 2 for sharing of infrastructure between International OSP and Domestic OSP mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

We would request a review of the OSP policy to allow the International OSP network to interconnect with Domestic OSP to avoid duplication of infrastructure , save high cost of setting up such duplicative network and underutilization. Therefore policy needs to be suitably amended to allow seamless interconnection between international OSPs and Domestic OSPs

networks within India without any restrictions . We will also urge TRAI to consider sharing of infrastructure and single EPABX between International OSP and Domestic OSP, and also allow PSTN connectivity to the International OSP at the Indian end

Q18. In case of distributed network of OSP, please comment about the geographical limit i.e. city, LSA, country, if any, should be imposed. In case, no geographical limit is imposed, the provisions required to ensure compliance of security conditions and avoid infringement to scope of authorized TSPs.

Q19. Do you agree with the provisions including of logical partitioning mentioned in the OSP guidelines for distributed architecture of EPABX? If not, please suggest suitable changes with justification.

Q20. Do you agree with the monitoring provisions of mentioned in the OSP guidelines for distributed architecture of EPABX? If not, please suggest suitable changes with justification.

Q.21 Please comment on the scope of services under CCSP/HCCSP, checks required / conditions imposed on the CCSP/ HCCSP including regulating under any license/ registration so that the full potential of the technology available could be exploited for both domestic and international OSP, and there is no infringement of the scope of services of authorized TSPs

There is no need to regulate the CCSP/ HCCSP including bringing such services under the ambit of any license/ registration framework.

The CCSP / HCCSP are technology enablers for enterprise customers who have outsourced their customer engagement processes to BPM sector or OSP's. With the faster adoption of newer technologies such as Cloud Computing, Virtualization and AI/ML, CCSP's have created cloud based multi-tenanted platform. It has brought a lot of cost efficiencies, lowered infrastructure provisioning barriers at distributed agent locations. Each OSP is being treated as independent tenant with full control of resources created for their consumption based on requirements.

The concern wrt a dual control of operating call center using CCSP / HCCSP is not correct and needs to be viewed in the context of the technical solution. As per industry and technology best practice, users based on their business needs have a full control on their call flows, IVR designs, integrations with various IT systems such as CRM Social media etc. OSP plan and select chosen access method for inbound calls (NATL Toll Free, ITFS etc) and outbound calls based on their business exigencies. Both Domestic and International OSP's are open to leverage such Contact Center as a Service solution for CCSP/HCCSP's.

We therefore encourage suitable review of OSP framework to allow

1. IP-PSTN interconnectivity;
2. HCCSP/CCSP, Cloud based Infrastructure - allow deployment of infrastructure in Cloud datacenter (cloud infrastructure at location of choice of customer based on business requirements irrespective of the location of data center whether in India or outside India);
3. Remove mandates around data localization or requirements to deploy infrastructure on premises.

Q23 Do you agree with the provisions for use of CUG for internal communications of OSP as mentioned in the OSP guidelines? If not, please suggest suitable changes with justification.

We support the provisions for use of CUG for internal communications of OSP as mentioned in the OSP guidelines.

Q27 Whether use of EPABX at foreign location in case of International OSPs may be allowed? If yes, please suggest suitable terms and conditions to ensure that the scope of authorized TSP is not infringed and security requirements are met.

We agree that the use of EPABX at foreign location in case of International OSPs may be allowed. As the technology and solutions are changing every day, regulators across the globe are embracing the emerging technologies and have permitted organizations to use Cloud based infrastructure as a new model of modern network & communication.

The existing OSP policy needs to be reviewed to allow user to embrace the cloud based infrastructure to leverage best of the technology solution for their business needs while at the same time meeting the reasonable regulatory requirements. The use of EPABX at foreign location will help OSP leverage and scale the operations.

The CCSPs/HCCSP's should be seen as technology enablers and not conventional telephony service providers. The use of multi-tenanted IP-EPABX/EPABX hosted on public cloud or private cloud at non-indian location should be permitted as long as CDR's are preserved by OSP's. Usually, CCSP's and HCCSP's provide full access to OSP's respective tenants and facility to store CDR's & other QoS reports on cloud or export to their premises based servers. For periodical inspection purposes, OSP get full access to platform and should be able to demonstrate access to CDR's stored on cloud or copy of it on their local servers. Thus use of EPABX in Cloud datacenter (cloud infrastructure outside India) may be allowed which can be shared between several customers and accessed securely by customer for monitoring purpose as well for enterprise customers. Most of the standard cloud based solutions do provide an ability for the users to download CDR's and store it at a local server . this will save costs by rationalizing telephony infrastructure

