

World Bank report on strengthening of TRAI

3142. SHRI R. P. GOENKA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the World Bank in its Country Framework Report has called for the strengthening of the TRAI's powers to reduce the likelihood of conflict of interests in the telecom sector;

(b) if so, the fresh initiatives contemplated in the matter; and

(c) the other major recommendations/observations relating to the Ministry made by the World Bank recently and the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) Yes, Sir.

(b) Earlier this year, Government has already brought out legislative amendments to the TRAI Act of 1997 so as to remove the ambiguities and difficulties that had arisen in the implementation of the TRAI Act, strengthen the regulatory framework and strengthen the disputes settlement mechanism. Thus these amendments have significantly strengthened the role of the regulator.

(c) Other major recommendations/observations relate to opening telecommunications markets, clarifying universal service obligations and efficient allocation of the spectrum. The issues are broadly governed by New Telecom Policy, 1999 and actions have been initiated accordingly. These include de-regulation of national long distance services without any restriction on number of licences to be issued subject to the licencees paying a stipulated entry fee and a share of revenues, migration of existing licence holders to a revenue sharing regime and initiating the process of the introduction of new entrants to cellular services in consultation with TRAI, initiating consultation with TRAI in matters concerning universal service obligations and development of National Frequency Allocation Plan, 2000 for efficient allocation of the spectrum.