To: Telecom Regulatory Authority of India (TRAI)

Subject: Comments for <u>TRAI consultation paper</u> on differential pricing for data services

Dear Madam,

As an Indian developer, I support <u>Free Basics</u> – and digital equality for India. Differential pricing programs – in particular, zero rating programs like Free Basics – are an essential tool for bringing more unconnected people online across India and should not be banned.

Free Basics provides free access to essential Internet services like communication, education, healthcare, employment, farming and more. It helps those who can't afford to pay for data, or who need a little help getting started online. And it's open to all people, developers and mobile operators.

To connect India and make the vision of 'Digital India' a reality – developers have a critical role to play. We face numerous challenges in making our products and services available to a large unconnected population and the Free Basics Platform helps our services reach the unconnected.

The <u>Free Basics Platform</u> represents a huge opportunity for us and other developers in India to bridge the connectivity gap and reach more people with valuable services. We strongly urge TRAI to support and encourage such programs.

Below are specific responses to the questions posed by the TRAI in the Consultation Paper.

Question 1: Should the TSPs be allowed to have differential pricing for data usage for accessing different websites, applications or platforms?

It is not clear that the Free Basics program should be considered as differential pricing, but even if it is, Free Basics should be allowed under any regulatory framework adopted by TRAI.

Free Basics is an essential tool for bringing more people online and expanding connectivity across India. Moreover, the structure of Free Basics is pro-consumer and pro-competition:

- Free Basics is non-exclusive. It is available to all operators on the same terms and conditions.
- Free Basics is an open and non-discriminatory platform. Any content owner can
 participate as long as it meets the same technical criteria, which are openly published.
- Free Basics is free to both users and content owners. No one is charged for accessing the content on Free Basics. No content owner is charged for participating in the platform.
- Free Basics is transparent. All of the technical standards are published and available online.
- Facebook does not pay carriers to exempt its content from usage limits.

Question 2: If differential pricing for data usage is permitted, what measures should be adopted to ensure that the principles of non-discrimination, transparency, affordable Internet access, competition and market entry and innovation are addressed?

TRAI should consider whether a program helps to expand connectivity and whether the program is free to both users and content providers, non-exclusive for operators, open to all content providers under objective standards, and transparent about its terms and practices. Free Basics meets all of these criteria.

Question 3: Are there alternative methods/technologies/business models, other than differentiated tariff plans, available to achieve the objective of providing free Internet access to the consumers? If yes, please suggest/describe these methods/technologies/business models. Also, describe the potential benefits and disadvantages associated with such methods/technologies/business models.

There are various models that could be used to provide free Internet access to consumers. However, Free Basics is the kind of program that should be allowed under any regulatory framework. Free Basics brings more people online faster and provides newly connected users with an onramp to the full Internet. Facebook has shown that when a carrier launches Free Basics, new users are brought onto the carrier's mobile network at an average rate that is 50% faster than before the launch of Free Basics. Free Basics also provides an effective onramp for users to quickly begin accessing the broader Internet. On average, in countries where Free Basics has launched, more than 50% of users who come online through Free Basics choose to pay for data and access the full Internet within 30 days.

Question 4: Is there any other issue that should be considered in the present consultation on differential pricing for data services?

TRAI's public consultation on these issues is rightly guided by the goal of connecting the unconnected across India. Despite significant progress, 80% of India's population – 1 billion people – still are not connected. TRAI must therefore ensure that any regulatory intervention does not end up depriving people of the opportunity to come online. Instead, TRAI needs to create a regulatory environment where access-expanding programs can flourish.