

Draft OTT Regulatory Framework

Introduction

On April 24, 2023, Nepal Telecommunications Authority (“NTA”), the regulatory agency for telecommunications services, released a draft Over-the-Top Regulatory Framework (“Framework”) for public consultation.

NTA, through the proposed Framework, aims to regulate communication-based Over-the-Top (“OTT”) services in Nepal upon its enforcement as a law.

Key provisions of the draft Framework are summarized below:

Scope of the Framework

OTT communication services include messaging, telephony (voice and/or video, conferencing) and others. Content services such as video and audio fall outside the scope of the proposed Framework.

Definitions

The key definitions of the Framework include:

- **OTT:** Online services accessed and delivered over the public Internet that may be a direct technical/functional substitute for voice/video telephony and text messages.
- **OTT Provider:** A person or an entity that delivers the OTT services to the end users.
- **Intermediary:** A person or an entity who is authorized to act as an official and legal representative of the foreign OTT Provider in Nepal.

Registration and Authorization Requirements

The proposed Framework introduces registration requirements for foreign OTT Providers to operate their services in Nepal.

NTA is empowered to issue authorization to OTT Providers to provide OTT services. Prior to obtaining authorization from NTA, a foreign OTT Provider must either register its branch office or appoint an Intermediary in Nepal who must be registered pursuant to Companies Act 2063 (2006 A.D.).

Consumer Protection

OTT Providers must comply with the following:

- security and privacy provisions such as network security and data protection;
- international and national standards in relation to customer redress and protection; and
- legal requirement in relation to providing information to the authorized agency.

Interested parties, including social media platforms engaged in providing OTT services, may provide their comments and feedback on the proposed Framework to NTA by May 9, 2023 at the following address:

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For further information about the subjects covered in this Alert, please contact:



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