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September 22, 2023

Shri Neeraj Mittal, IAS Secretary Department of Telecommunications

Subject: Request for support on resolution of Country-of-Origin issue under MTCTE

Respected Sir,

Greetings from MAIT!

The Indian ICT industry is grateful to you and your esteemed colleagues at Telecom Engineering Centre for the continued support and guidance to comply with the MTCTE scheme. The team has consistently worked with the industry to reform the scheme to ensure smooth implementation.

Since the announcement of the Phases 3 and 4, which has a significant number of products, the ICT industry has overcome major hurdles, from strengthening the testing infrastructure to supply chain constraints. Despite this, the ICT industry has prioritised compliance and ensured the labs received product samples, configuration support and timely response to multiple queries. As suggested in July 2023, MAIT members have completed tests in labs and submitted applications for certification within the extended timeline.

We understand that TEC is not issuing MTCTE certificates to such products owing to issue of Country of Origin. We would like to inform you that there are a considerable number of products, including models of LAN switches and Routers that are manufactured in specific geographies and do not have alternate sources. These products play a very critical role in India's Digital Transformation success story and are yet to be certified.

Over the course of the last 2 years, MAIT members have taken rigorous steps to diversify their supply chain and now have identified manufacturing locations in multiple countries for majority of their products. Given the complexity of manufacturing of telecom products, you will appreciate that shifting entire portfolio of products requires a longer time frame. Countries around the world, notably the USA, have taken cognizance of this and have provided a 5-year window (till 2027) for shifting semiconductors supply chains from geographies concerned. It is noteworthy that these regulations apply only for Federal procurement unlike in India, where the non-issuance of MTCTE certificates would have a huge impact on overall market access.

Several MAIT members, who are also Trusted Sources under the NSDTS, have invested under PLI to manufacture in India. They have also undertaken concrete steps to diversify their supply chains to multiple locations, including India in the next 18 months.

We would also like to point out that the intent of the MTCTE is consumer safety and product performance. Supply chain security is monitored by NSDTS. MTCTE focus on Country of Origin is overlapping and duplicative.

Given this context, we urge you to kindly

- Provide a **provisional certificate with minimum 2 years validity** to products originating from specific geographies, manufactured by OEMs with "**Trusted Source**" status, provided the products have cleared the tests specified in the Essential Requirements under the MTCTE scheme.
- Alternatively, provide a **blanket extension of 18 months of the MTCTE scheme**. This will ensure that the various mitigation strategies of OEMs for alternate sources of telecom products will take effect without disruption to public sector and service provider business.

Your support is pivotal to ensure the continued pace of digitization in the country. We look forward to your support.

Warm regards,

Col Suhail Zaidi (Retd) Director General

CC: Shri Ajay Kumar Sahu, Member (Services), DoT

CC: Shri RR Mittar, Advisor & Head, TEC CC: Shri Anand Katoch, DDG(TC), TEC