



**MINISTÈRE
DE L'ÉCONOMIE,
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G En bref

NUMÉRIQUE :

- Le gouvernement indien développe une identité numérique familiale sur le modèle d'Aadhaar.
- SBI et d'autres banques publiques demandent à la RBI d'annuler son appel d'offres pour créer de nouveaux réseaux de paiements
- Le groupe TATA acquiert la plateforme de e-santé 1 MG et poursuit le développement de son activité de e-commerce.
- 14 think tanks demandent au gouvernement indien de mettre fin à la « censure numérique »
- L'Inde signe la déclaration du G7 condamnant les "coupures d'Internet pour des raisons politiques".

TÉLÉCOMMUNICATIONS:

- Le DoT publie les directives concernant le programme PLI de soutien à la fabrication de téléphones, 20 demandes (10 PME et 10 grands groupes) seront approuvées.
- Les opérateurs de satellites et les opérateurs télécoms indiens se disputent le spectre 28Ghz, considéré comme essentiel pour la 5G à bas prix.

Revue de presse

1. NUMÉRIQUE

Indian government developing family digital ID, health app sparks consent concerns

Biometric Update, 8/06/2021

India's federal government is in the preliminary stages of developing a 'Universal Family ID,' similar to India's current biometric Aadhaar system, in order to track beneficiaries of flagship social benefits schemes in the country, reports The Print.

Under the proposed system, each family will be registered as a unit via a national digital platform, which, the Ministry of Electronics and Information Technology (MeiTY) says, will make governmental welfare schemes more effective by removing gaps in the system created by a lack of individual identification. Each member of a family will receive a unique digital ID code.

Other states around the country have been looking into developing similar initiatives, for example, Haryana state launched a (reportedly) mandatory family digital ID program in summer 2019, called Parivar Pehchan Patra. Similarly, each family's data is stored on a digital database, and produces a unique eight-digit code. However, privacy concerns about data usage have been arising since the scheme began collecting information including birth and death certificates.

"Family ID will link existing, independent schemes like scholarships, subsidies and pensions, so as to ensure consistency and reliability and at the same time enabling automatic selection of beneficiaries of various schemes, subsidies and pensions," according to the Haryana state government website.

Other states are developing similar initiatives, according to the report.

A ministerial workshop was held in April discuss integration of the proposed system at the federal level, with a follow-up planned covering the existing applications and to further share ideas and best practices, as well as how to accurately identify beneficiaries.

CoWin app lacking informed consent

India's vaccination app, CoWin, has reportedly been enforcing facial and fingerprint biometric and OTP verification for persons booking vaccination slots, without collecting their consent, in order to issue a digital health ID, says India's National Herald.

The aim of this procedure is to create a digital ecosystem for a citizen's health details to be put online.

Though booking a slot linked to an individual's Aadhaar ID has not previously been mandatory, under new enforcement, the individual's biometric authentication or biographic identity verification details are used to create a 14-digit Health ID. India does not currently have a data privacy law which protects sensitive data, nor does CoWin have an appropriate privacy policy, according to the Herald.

In January India's government stated an upcoming privacy policy would prohibit CoWin from being used in any adverse ways.

"The health ID is only being issued when people are sharing their Aadhaar details for vaccination. Sharing of Aadhaar details is being taken as an authorization to issue unique health IDs to people without an actual informed consent," says Srinivas Kodali, a digital rights researcher.

It is not yet clear whether creating a digital health ID using individuals' details will improve the handling of the virus within the country.

SBI union, others urge Indian central bank to scrap digital payments plan-letter

Reuters, 08/06/2021

A union representing India's largest state-run bank and a global alliance have asked the central bank to bar large companies from setting up payment networks, saying in a

letter seen by Reuters on Tuesday that privatisation could compromise data safety.

In a bid to reduce concentration risks in the payments sector, India's central bank (RBI) last year invited companies to forge so-called New Umbrella Entities (NUEs) to create a payments network that would rival the country's flagship processor, the National Payments Council of India (NPCI).

The NUE will be allowed to operate new payment systems including digital and ATM transactions.

Amazon, Google, Facebook and others have applied for such licences in partnership with Indian companies such as Reliance and ICICI Bank.

Involvement of big multi-national companies raises fears of abuse of user data and India's digital payment networks should continue to operate on a non-profit basis, the All India State Bank of India (SBI) Staff Federation and the UNI Global Union, a vocal critic of tech giants, wrote in the letter.

The letter urged the central bank to scrap the "whole process of NUE licensing" and focus on strengthening the domestic payments group, NPCI, which operates as a non-profit.

The RBI did not immediately respond to a request for comment on the letter, which has previously not been reported.

While state-backed NPCI forms the backbone of the country's digital payments system, India is an increasingly attractive digital payments market for everyone from Amazon to Google. An ASSOCHAM-PWC India study in 2019 said digital payments in India could rise to \$135 billion in 2023 from \$65 billion in 2019.

In the letter, groups including the SBI union, which represents 100,000 of its nearly 250,000 employees, and UNI Global Union, that represents about 20 million workers globally, specifically raised concerns about the NUE application by a consortium led by Amazon. It highlighted the U.S. company was facing several

investigations into its business practices in India and abroad.

Amazon did not immediately respond to a request for comment.

Tata Group Boosts E-Commerce Footprint With 1MG Acquisition

BloombergQuint, 10/06/2021

Tata Digital Ltd., a subsidiary of Tata Sons Ltd., has acquired a majority stake in digital health platform 1MG Technologies as part of its push to build an e-commerce venture in the country. "The investment in 1MG is in line with Tata Group's vision of creating a digital ecosystem which addresses the consumer needs across categories in a unified manner," the company said in a statement. E-pharmacy, e-diagnostics and tele-consultation, it said, are critical in digital ecosystem and have been among the fastest-growing segments as this enabled access to healthcare through the Covid-19 pandemic. Tata Digital, however, didn't disclose the investment amount.

1MG has three state-of-the-art diagnostics labs, a supply chain covering more than 20,000 pin codes across the country. And through its subsidiaries, it's also engaged in the business-to-business distribution of medicines and other healthcare products. The size of the overall healthcare marketplace, according to Tata Digital, is around \$1 billion and is expected to grow at an annualised rate of about 50%, driven by increased health awareness among consumers and greater convenience. A couple of days ago, Tata Digital invested \$75 million in fitness startup CureFit. It has also received the Competition Commission of India's approval to acquire a majority stake in the nation's largest online grocery platform, Big Basket.

Tata's rival Reliance Industries Ltd., too, has made a similar but more aggressive approach to build its e-commerce business through a series of acquisitions, including, Saavn, Embibe, Grab and Fynd, among others. Reliance also forayed into the online pharmacy segment by acquiring Netmeds.

Over a dozen think tanks call for end of 'digital censorship' in India

ET Bureau, 12/06/2021

New Delhi: More than a dozen privacy and digital think tanks from across the world have banded together to publish an open letter calling for the end of 'digital censorship' in India.

The letter, signed by 14 not-for-profits and published on Friday, called upon the government to suspend the implementation of India's new IT rules, which came into effect last month. These include organisations like Electronics Frontier Foundation, Access Now, Article 19, Human Rights Watch, Internet Sans Frontières and Internet Society.

The letter asked the government to make public its blocking orders for websites and social media accounts along with reasons for the blocking. India should commit to not using these orders, and rule-making powers, to curtail the rights to free speech, access to information and privacy, it urged.

There are "troubling indicators that the Indian Government, which has already been criticised for silencing protests, criminalising dissent, and blocking access to the internet, will use the expanded powers under the new intermediary rules...to restrict online content, and chill free expression and access to information," according to the letter.

ET has reviewed a copy of the letter.

The Association for Progressive Communications, Centre for Democracy and Technology, CIVICUS: World Alliance for Citizen Participation, Dangerous Speech Project, International Commission of Jurists, Mnemonic, OpenNet and Reporters Without Borders, are its other signatories.

India notified the guidelines in February and gave those social media platforms with over 5 million users in the country three months to comply. The rules, which apply to companies such as Facebook, WhatsApp and Twitter, came into effect on May 25. It mandates online platforms to have a physical office in India, appoint key personnel to handle user grievances and take down notices from the government, along with giving them a timeline of 24 hours

to remove content and 72 hours to respond with information.



Platforms with end-to-end encryption like WhatsApp are required to trace the origin of messages if the investigative agencies require them to.

WhatsApp has challenged the traceability mandate in Delhi High Court, while Google has asked the courts to exempt its search engine from being classified as a significant social media intermediary.

"Web censorship and user data orders from the Government of India are not issued under judicial or independent administrative process; instead, they come from the unilateral dictates of executive authorities. Indian Government authorities have refused to publish any of the orders they are issuing to technology firms, asserting a broad claim of secrecy, and denying requests under India's Right to Information Act," it said.

The letter also highlighted that the regulatory framework for digital news media also grants the government an "unprecedented, impermissible and unconstitutional" level of control over online news. "The rules are beyond the scope of what the executive is authorised to do under current law," it said.

The liabilities on employees of the platforms, in case of non-compliance, serve to intimidate intermediaries and their employees into over-complying with overbroad mandates, to the detriment of users' rights, the letter said.

It called upon technology companies and internet platforms operating in India to “implement effective measures to protect privacy, free expression and security, and push back on overbroad, unlawful requests and regulatory mandates.”

India Signs G7 Statement Condemning “Politically Motivated Internet Shutdowns”

Medianama, 14/06/2021

India has signed a Group of Seven (G7) statement condemning, among other things, “politically motivated internet shutdowns,” the Ministry of External Affairs announced. The “politically motivated” qualifier was not present in an earlier statement signed by just the G7 countries’ foreign ministers on May 5.

The “G7 and Guest Countries: 2021 Open Societies Statement” signed by India and other countries read, “As we build back better from the pandemic, we must continue to deliver a better quality of life for our people, with no one left behind. We are at a critical juncture, facing threats to freedom and democracy from rising authoritarianism, electoral interference, corruption, economic coercion, manipulation of information, including disinformation, online harms and cyber attacks, politically motivated internet shutdowns, human rights violations and abuses, terrorism and violent extremism.”

Apart from India, the United Kingdom, Australia, Canada, France, Germany, Italy, Japan, the Republic of Korea, South Africa, the United States of America and the European Union also signed the statement.

The point of facing threats from cyber attacks and disinformation was also reiterated by Prime Minister Narendra Modi, who while participating in the Outreach Sessions of the G7 Summit on June 13 said that open societies are particularly vulnerable to disinformation and cyber-attacks, and stressed the need to ensure that cyberspace remains an avenue for advancing democratic values and not of subverting them.

India’s role in internet shutdowns a point of contention

The collective of countries had targeted the statement at autocracies, but India’s own prolific role in internet shutdowns was a point of contention. Most notably, the

internet was shut down on August 5, 2019 in Kashmir, and lasted until February 5 this year; the restrictions, which were put in place after the abrogation of Section 370 of the constitution which gave Kashmir a special status, were not even lifted in the midst of the first wave of the COVID-19 pandemic.

The Wire reported that India fought initial drafts of the Open Societies Statement, with Prime Minister Narendra Modi and foreign minister S Jaishankar implying in publicized remarks that fake news and cyberattacks had to be curbed, but stopped short of saying that these justified internet shutdowns.

The final statement’s “politically motivated” qualifier seems to have been a satisfactory modification to obtain India’s signature. The abrogation of Section 370 was a politically popular move that the BJP has long promised, with almost half the respondents to an ABP C-Voter survey last month of 139,000 people calling it the government’s biggest accomplishment.

“We, the leaders of the United Kingdom, Australia, Canada, France, Germany, Italy, India, Japan, the Republic of Korea, South Africa, the United States of America and the European Union, reaffirm our shared belief in open societies, democratic values and multilateralism as foundations for dignity, opportunity and prosperity for all and for the responsible stewardship of our planet,” the statement opens. The statement affirmed “our respect for international rules and norms relating to,” among other items, “Freedom of expression, both online and offline, as a freedom that safeguards democracy and helps people live free from fear and oppression.”

2. Télécommunications

India's DoT invites applications for PLI scheme

LightReading, 07/06/2021

India's Department of Telecommunications (DoT) has finally issued guidelines on the implementation of the Production Linked Incentive (PLI) scheme to spur domestic telecom equipment manufacturing.

The government will approve ten applications each in MSME and non-MSME categories. Out of these, at least three applications in the MSME segment need to be

domestic firms. The firms will be shortlisted based on the criteria of committed investment over the scheme period.

"The PLI scheme will be implemented within the overall financial limit of INR121.950 billion (\$1674.59 mn) for implementation of the scheme over a period of five years. For MSME [Micro, Small and Medium Enterprises] category, financial allocation will be INR10 billion (\$137.3 mn)," says the statement issued by the company.

According to the guidelines, interested companies will have to invest a minimum of INR100 million (\$1.37 million) in the case of MSME, and INR1000 million (\$13.7 million) for non-MSME firms.

Land and building cost will not be considered as an investment under the PLI scheme. However, 15% of research and development investment will be counted. The application window is open for a month until July 3, 2021, only.

Signing up

Several companies have shown interest in participating in the scheme. For example, media reports suggest that Nokia and HFCL will be investing. Both these companies already have manufacturing units in India.

Samsung, Ericsson, Ciena, Cisco and Foxconn are among others that have shown interest. Added to this, Bharti has also signed a joint venture with Dixon for the manufacturing of telecom products.

The DoT was supposed to come up with the guidelines in the beginning of April. However, the plans eventually arrived two months after the start of the scheme.

The PLI scheme is likely to promote the production of gear worth INR2440 billion (\$33.5 billion) and also contribute to creating employment. It is likely to bring in investments worth INR30 billion (\$411.94 million).

Essentially, the government will provide financial incentives worth between 4% and 6% of sales over five years. The scheme is launched to "boost domestic manufacturing investments and export in the telecom and networking products."

The PLI initiative is in line with the Atmanirbhar Bharat (Self-reliant India) initiative of the Indian government. A series of measures have made it challenging for Chinese vendors Huawei and ZTE to do business in India. They were also barred from the recently approved 5G trials. The PLI

scheme is designed to boost domestic manufacturers, which can plug the gap left by the Chinese gear makers.

The scheme was initially launched only for mobile devices and the electronics sector, and played a crucial role in increasing electronics manufacturing. Now it is likely to spur growth for the domestic telecom manufacturers as well.

The scheme covers core transmission gear, Radio Access Networks, Internet of Things access devices, switches and routers, among other telecom equipment.

Satellite firms, telcos fight over 28GHz spectrum in India

LightReading, 14/06/2021

There seems to be a tug of war going on between the satellite communication firms and Indian service providers over the 28GHz spectrum band.

Satellite firms, including Hughes, Viasat and Inmarsat, are resisting the allocation of 50% of the 28GHz spectrum to communications service providers (CSPs) as they allege it adversely impacts services.

OneWeb, partly owned by Bharti Airtel, India's second-largest service provider, is the only one not objecting to the spectrum being awarded to the telcos.

Push me pull you

Indian private service providers including Reliance Jio, Airtel and Vodafone Idea, are demanding the 28GHz spectrum be put up for sale in the forthcoming 5G auctions.

The telcos say the mmWave spectrum in the 26GHz and 28GHz band is required to provide economical 5G services. The problem is that this spectrum is used by the satellite players.

The government stands to gain additional revenue if this spectrum is auctioned. The satellite companies recently met DoT officials, and discussions are ongoing, with no resolution so far.

The Department of Telecommunications (DoT) recently approved 5G trials, and a 5G spectrum auction is likely to be held in 2022. It is not clear whether any mmWave spectrum is up for sale.

In comments to the consultation paper, issued earlier in 2021 by the telecom regulator, on "Licensing Framework for Satellite-based Connectivity for Low-bit Rate Applications," Viasat says it "urges TRAI to disregard any attempts by the terrestrial IMT/5G proponents to seek identification of the 28 GHz band in India for terrestrial IMT/5G and to instead preserve access to the 28 GHz band for satellite broadband services and identify the 26 GHz and other mmWave and low-and mid-bands for terrestrial IMT/5G."

The satellite providers currently use the 27.5GHz to 29.5GHz frequency band.

Two sides

Vodafone Idea says in the comments to the same consultation paper, "To ensure optimum utilization of precious and scarce natural resource, spectrum to be used for satellite based services should be put to auction route only before allocations.

Any other administrative allocations would cause a huge loss to the National exchequer."

It adds that the spectrum availability should not be blocked for "any niche service like satellite based IoT services."

India's satellite space is witnessing heightened activity with several international players such as Elon Musk's SpaceX and Amazon's Project Kuiper likely to provide services in the coming year.

Clearly, the battle lines are drawn between the satellite providers and telcos in India.

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