



REGULATORY WATCH

A round up of the latest news from the world of communications and media policy

DECEMBER 2024

EU to crackdown on Asian online retailers

Temu and Shein are two of the sites in the EU's sights as concerns over the evasion of customs duties and checks mount. The EC says that about 4 billion lower-value parcels will be flown into the EU this year, triple the number in 2022. Because they are valued under 150 Euros most are not checked. The EU is worried about the undercutting of European competitors. Options under consideration include a tax on ecommerce platforms' revenue and an administrative charge per item, which would be added to any online retailer shipping to customers directly from outside the EU. However, the actions would be complicated to implement under international law and WTO rules.

New EU Commissioner for tech takes office

The new European Commission began on 1 December under President Ursula von der Leyen. She has appointed Henna Virkkunen as Executive Vice-President for Tech Sovereignty, Security and Democracy. A long term member of the European Parliament, Henna Virkkunen is thought to be in favour of telecoms consolidation in Europe.

Meta the latest big tech firm to go nuclear

Meta has issued a request for proposals (RFP) for the supply of 1 to 4 Gigawatts of new nuclear generation capacity in the US. In a post on its atmeta website, the company said that AI innovation 'requires electric grids to expand' and that 'nuclear energy can help provide firm, baseload power to support the growth needs of the electric grids that power...our data centers'. In recent months Microsoft and Google have both announced plans to source nuclear energy to power datacentres as a means of providing reliable electricity while keeping to emissions commitments.

Continue on next page...



'US must avoid EU's regulatory mistakes over AI'

AI could turbocharge productivity growth with the right regulation, but 'heavy-handed' EU rules have stifled AI innovation in Europe and the US mustn't do the same. This is the view of Jason Furman, economic policy professor at Harvard, who argues that the demand for perfect safety has dangers of its own. His 'six principles for regulators' include balancing benefits and risks without 'a superabundance of caution', comparing AI with 'humans, not the almighty', addressing existing regulations and recognising that 'not every problem caused by AI can be solved by regulation'. Professor Furman's op-ed, published in the WSJ, can be read [here](#).

FCC proposes annual certification in response to telecoms cyberattack

US Federal Communications Chairwoman Jessica Rosenworcel is proposing that communications service providers be required to certify annually that they have a plan in place to protect against cyberattacks. The proposal comes after group of hackers called 'Salt Typhoon', thought to be sponsored by Beijing, stole data about US calls from 'at least' eight US telecoms service and infrastructure firms. The activities of Salt Typhoon have raised increasing concerns across Washington and US senators have received a classified briefing on the hack. The proposal has been circulated to other FCC commissioners for consideration. Separately, The US Cybersecurity and Infrastructure Security Agency (CISA) and National Security Agency (NSA) have urged telecoms providers to upgrade their security and published a guide to recommended practices.

TikTok set for US ban

The appeals court in Washington DC has upheld a law requiring TikTok's owner to sell the social media platform or face a ban. The law, signed by President Joe Biden earlier this year, requires that that TikTok be divested from its owner, Chinese company ByteDance, by 19 January 2025, one day before Donald Trump is inaugurated as president. Otherwise the app will be banned from web-hosting services and removed from app stores. The law was enacted on security grounds. However, TikTok is seeking to appeal the decision to the Supreme Court based on a right to free speech. It's unclear whether the new administration would uphold the ban. Incoming US national security adviser Mike Waltz said that Trump 'wants to save TikTok' but 'we have to protect our data as well'.

Sources: The Financial Times, The Wall Street Journal, APNews, Euronews, CNN, The Guardian, The Daily Telegraph, Bloomberg, Economic Times, Ars Technica, Reuters, BBC, Politico, Telecoms.com.

