The EU has published its long-awaited white paper on networks and infrastructure, ‘How to master Europe’s digital infrastructure needs’. The paper consists of a set of proposals designed to accelerate gigabit network deployment, coordinate spectrum allocation, create a single telecoms market and create a ‘level playing field’ between the telco and cloud sectors. The paper acknowledges the need for greater investment and identifies the fragmented European telecoms market as a ‘missed opportunity’. It envisages consolidation of networks across markets rather than in-market as preferred by telcos. Nonetheless, the European Telecommunications Network Operators’ Association (ETNO) broadly welcomed the paper, with its focus on increased infrastructure investment. There are also recommendations on the security of submarine cable infrastructure.

The AI boom is raising concerns over the water consumed by data centres. Researchers from the University of California suggest that demand for services powered by artificial intelligence would drive up water withdrawal to between 4.2 and 6.6 billion cubic metres by 2027. In 2022 Microsoft increased its water consumption by 34 per cent, Google by 22 per cent and Meta 3 per cent as a result of their growing use of data centres. While some water is reused, some evaporates in the cooling process. The companies have targets to put more water back into water systems than they consume through a variety of projects, including funding work to improve irrigation infrastructure.

Apple and Microsoft have won exemptions from new rules under the Digital Markets Act after appealing to competition regulators. Following a five-month investigation the European Commission found that iMessage, Bing, Edge and Microsoft Advertising ‘did not qualify as gatekeeper services’. The companies had argued that the services are not gateways for businesses to reach end users. However, the Commission confirmed that Apple’s App Store, iOS operating system and Safari browser will continue to be classified as gatekeepers along with Microsoft’s Linkedin social network and Windows operating system.
The Mongolian government is in talks with SpaceX to launch the country’s first national telecommunications satellite, designed to improve connectivity and develop Mongolia’s ‘domestic space economy’. The satellite is being constructed by Thales Alenia Space and is expected to increase broadband internet access and improve Mongolia’s disaster management and emergency response. Last year the Mongolian government approved two licences for SpaceX to operate as an internet service provider for Starlink services. These are expected to be available at the end of February and enable millions of users to access high speed internet services.

The US Federal Trade Commission has launched an inquiry into the partnerships between the Big Tech cloud providers and generative AI companies. The FTC is ‘seeking to build a better internal understanding’ of the networks of partnerships and investment that have emerged between the three big cloud providers – Google, Microsoft and Amazon – and AI start-ups OpenAI and Anthropic. The aim, said the Commission, is to establish whether or not the relationships posed a competitive risk. The UK’s and EU’s competition regulators are also examining Microsoft’s investment into OpenAI.

Apple is under pressure to reveal more information about the company’s artificial intelligence risks. Two major shareholders are supporting a proposal asking Apple to ‘disclose any ethical guidelines that the company has adopted’ regarding its use of AI. The move is seen as a reflection of growing concerns in the investor community about the rapid growth of the sector. One of the shareholders, Legal and General, said that ‘Apple should be transparent in their uses of AI and their risk management processes.’