

NEWS

FROM AROUND THE GLOBE



Not just for cities: This is Guttannen, Switzerland, a remote mountain village of only 300 people and the location for a 5G test site by operator Swisscom. Although an upgrade to fibre to the curb is planned for 2021, it won't reach all premises so Swisscom is trying out 5G fixed wireless access in the 3.5 GHz band to a small number of customers. For details see bit.ly/2ztFxia

COMPETITION LAW IS 'NOT FIT FOR PURPOSE'

A British thinktank has issued proposals for a radical overhaul of regulation of the technology sector, which it argues is "unfit for purpose, incentivises bad behaviour and has failed to address ethical questions about big data and its use". In the report, "Technopoly" and what to do about it: Reform, redress and regulation, ResPublica considers that "something has gone wrong with our markets and our competition law" and uses colourful language in saying that "monopolies are an evil that restrict ownership and trade... It is not too extreme to say that we increasingly risk re-feudalising society, where ownership in any substantial degree has become an unrealisable dream for too many. This rentier society has created a new digital road to serfdom and unless or until we chart a different path, we risk recreating the market dynamics of the middle rather than the modern age."

The two authors, who include IIC board member Tim Cowen, make their case with the technology and media markets but highlight higher levels of concentration across a range of industries. Among their arguments:

- Current competition law is not fit for purpose; regulators follow pro-monopoly standards
- Consumer choice and innovation should be the new norm, not just consumer welfare
- Competition law needs to stop privileging big business and focus on the benefits of small businesses and market structure
- Social media is media, and should be regulated in the same way as traditional media
- Current merger controls should be changed to meet the challenges of the digital age.

The report addresses the issues from UK and European perspectives noting that concerns so far have been mainly based on data from the US. Intermedia will publish an article on the main recommendations for competition reform in due course. The report is at bit.ly/2LdtKZQ

■ A report by the Hamilton Project in the US takes a similar line. In "The state of competition and dynamism: Facts about concentration, start-ups, and related policies" the authors say: "Over the past few decades there have been troubling indications that dynamism and competition in the US economy have declined." See bit.ly/2utGAZE

NET NEUTRALITY

INDIA APPROVES RULES

India's Department of Telecommunications (DoT) has accepted the recommendations made last year by the regulator, TRAI, to adopt tough rules on net neutrality, in what is being seen as a big victory for the open internet movement. "Any deviations and violations of the rules of net neutrality – which come into effect almost immediately – will be met with stiff penalties," DoT secretary Aruna Sundararajan told the Times of India. There are though exceptions, which sound like the "special services" mooted by the European Commission, such as autonomous driving and telemedicine, which may require prioritised "fast lanes". The government is to set up a body to monitor and enforce net neutrality, and the regime will include monitoring of mobile internet traffic. Also approved is India's National Digital Communications Policy 2018.

■ TRAI and BEREC, the European regulators' body, have signed a joint statement on preserving rules for an open internet.

ITU

BEST PRACTICE GUIDANCE

The ITU has issued best practice guidelines on "new regulatory frontiers to achieve digital transformation". The document calls for frameworks that foster the potential of emerging technologies and business and investment models that support digital transformation, while more specific steps are put forward for policy approaches, including regulatory sandboxes for companies wanting to test an emerging technology or innovative service without being bound by usual regulations, and 5G pilot projects. Also put forward is "regulation by data" for public participation in the regulatory process, based on information from stakeholders and users; and mechanisms for cooperation across sectors such as banking and health. See bit.ly/2zyHSbl

CANADA

BROADCAST PROTECTION

The Canadian Radio-television and Telecommunications Commission (CRTC) has published a report on the future of broadcasting in Canada. The report proposes tools and regulatory approaches to support the production and promotion of audio and video content made by and for Canadians that is discoverable by audiences in Canada and abroad. It says that there are social and cultural responsibilities associated with operating in Canada and that all players benefiting from the Canadian broadcasting system should participate in an appropriate and equitable manner.

REGULATION

OFCOM TAKES AIM AT SOCIAL MEDIA

The chief executive of UK regulator Ofcom, Sharon White, has warned regulatory action may be on its way for social media sites that publish news, in a move that brings the platform or publisher debate to the fore. She says that “online companies need to be much more accountable when it comes to curating and policing the content on their platforms, where this risks harm to the public”, but while welcoming actions by the major online players, “we consider that the argument for independent regulatory oversight of their activities has never been stronger.”

White continued: “Such a regime would need to be based on transparency and a set of clear underpinning principles. In practice, this would place much greater scrutiny on how effectively the online platforms respond to harmful content to protect consumers, with powers for a regulator to enforce standards, and act if these are not met.”

As part of the evidence base that will shape Ofcom’s regulatory proposals, which should come this autumn, it has published two qualitative research reports on what people think and feel about news, and how they consume it. The findings include:

- Online news is playing an increasing role – almost two-thirds of people use the internet for news
- Social media has blurred the boundaries between news and other content
- People often engage with news in passive and shallow ways
- People are aware of concerns about online news but can’t articulate what these mean in practice. Some try to counteract these concerns by relying on shortcuts and intuition to assess the reliability of news – but these mechanisms have limited effect.

These challenges sit within a broader context of distrust in media and other institutions, says Ofcom.

The research is at bit.ly/2JooJJC

PLATFORMS

THE PROBLEMS OF POWER DEFINED

Digital Dominance, a book edited by Martin Moore and Damian Tambini, names “the power of Google, Amazon Facebook and Apple” in presenting the evidence behind the rising tide of criticism of the tech giants. Tambini says *Digital Dominance* is a “problem-definition” book rather than a “solutions” book, taking an interdisciplinary approach to questions such as the implications of the effect of tech giants’ market and social power on media pluralism, freedom of expression and electoral legitimacy. At a launch event the panel brought three main themes to the table: the inadequacy of current competition regulation; the extent to which self-regulation of tech giants is desirable; and the viability of hastily constructed regulation, without considering wider implications. See amzn.to/2uBAZQY for book details.

TERRESTRIAL TV FRANCE PLANS NOT TO REGULATE DTT

Arcep, France’s regulator, has issued market analysis on the state of competition in the wholesale market for terrestrial broadcasting services, saying it does not plan on continuing to regulate this market. Arcep says digital terrestrial television’s (DTT) share of TV viewing continues to decrease steadily, as broadcasting over broadband gains in popularity. In France, IPTV broadcasting was widely adopted thanks to triple play bundles, and DTT’s replacement is expected to continue as content providers are gaining access to a growing number of alternative outlets, so it is no longer relevant to regulate only DTT competition. Arcep does say that DTT remains a significant TV access system and its analysis “in no way predicts its future”. See: bit.ly/2yB6S1m

IIC EVENTS

8-11 October, Mexico City
IIC Communications Policy and Regulation Week, comprising the International Regulators Forum and IIC Annual Conference

4-5 December, Washington
IIC Telecommunications and Media Forum

18-20 February 2019, Kuala Lumpur
IIC Regional Regulators Forum and Telecommunications and Media Forum

IN BRIEF

SMART CITIES REPORT

McKinsey has published a report, “Smart cities: Digital solutions for a more livable future”, which analyses applications and finds that cities could use them to improve some quality-of-life indicators by 10–30%. But even the most cutting-edge smart cities are still at the beginning of their journey, the report notes. Download at mck.co/2Jq8ccn

MERGER STUDY

Mergers reducing the number of mobile operators from four to three may push prices up in the short to medium term, even with remedies such as MVNO access, according to a study published by EU regulator body, BEREC. See bit.ly/2Kgawzg

ASIA-PAC AND 5G

Asia Pacific is on track to become the world’s largest 5G region by 2025, led by pioneering 5G markets such as Australia, China, Japan and South Korea, according to the latest GSMA Mobile Economy report.

CALIFORNIA PRIVACY

California has passed a consumer privacy act that includes provisions similar to the EU’s GDPR. It will give residents of the state the right to request what personal information businesses collect about them, who the information is shared with or sold to, and the ability to opt out of such sales. It will be in force in 2020.

POLE VAULT

The US FCC has announced model agreements for small cell and 5G deployment for the city of San José, under which carriers will access city owned poles and help close the digital divide in San José, where more than 95,000 residents still lack access to broadband internet.