

# NEWS

## FROM AROUND THE GLOBE



NIC BR / LUIS VIVIANO E FERNANDO TORRES

Prime Minister Dilma Rousseff signs Brazil's internet bill of rights at NETmundial

### INTERNET GOVERNANCE

## NET NEUTRALITY LEFT OUT

A busy few weeks for the internet was topped by NETmundial, the global multistakeholder meeting on the future of internet governance in São Paulo. It not only issued its promised non-binding multistakeholder statement – covering principles and a roadmap for internet governance – but also saw the signing of a new internet ‘bill of rights’ law for Brazil by the country’s president, Dilma Rousseff, as well as an address by her to the meeting in which she stressed equality among nations as a guiding principle and “more, not less, democracy” (see also article, page 4).

The principles in the statement stress an open, accountable and inclusive environment so that ‘permissionless innovation’ can continue to be enabled. The roadmap calls for mechanisms to involve all stakeholders, especially at national level, better communication between technical and non-technical audiences, and a specific need to strengthen the Internet

Governance Forum (IGF). It welcomes the US announcement to transfer IANA functions and the globalisation of ICANN, stresses

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## NETmundial set aside the much debated issue of net neutrality

a need for dialogue and new forums on cybersecurity, surveillance and human rights, but leaves one of the most discussed topics – net neutrality – aside, noting ‘diverging views’.

Several countries have not supported the statement, notably Russia and India, and there appears to be continuing fundamental objections to governance that could infringe on national sovereignty, while the civil society stakeholder group was ‘deeply disappointed’ about the lack of a commitment to net neutrality.

Meanwhile, the European Parliament has defined and voted on net neutrality in the proposed Connected Continent regulation, favouring non-discrimination but leaving open complex issues concerning specialised services and the exchange of internet traffic. The position on specialised services is that they must not be “marketed or usable as a substitute for internet access services” and this may be similar to the way the US is moving after net neutrality was seemingly struck down in a court judgement. The FCC now says that its proposed open internet rules will say that “ISPs may not act in a commercially unreasonable manner to harm the internet, including favouring the traffic from an affiliated entity.”

### INDICATORS

## WORLD FIGURES

The 2014 edition of World Development Indicators (WDI), which provides cross-country comparable statistics about development and people’s lives around the globe, has found that by the end of 2012 there were 6.3 billion mobile phone subscriptions, and 2.5 billion people were using the internet worldwide. But after more than a decade of growth, there were still only about 640 million fixed broadband subscriptions in the world at the end of 2012, a global penetration rate of just 9%. More than 340 million of the subscriptions were in high-income countries. The nearly 300 million subscriptions in low- and middle-income countries indicate a very low penetration of about 5%. For more details on the indicators see [data.worldbank.org/wd](http://data.worldbank.org/wd)

● The ITU has issued a declaration and action plan at the Dubai World Telecommunication Development Conference in April, calling for universal and affordable access to telecommunications.

### MEDIA

## PRESS FREEDOM DECLINES

Global press freedom has fallen to its lowest level in over a decade, according to the latest edition of Freedom House’s press freedom survey. “The decline was driven in part by major regression in several Middle Eastern states, including Egypt, Libya and Jordan; marked setbacks in Turkey, Ukraine and a number of countries in East Africa; and deterioration in the relatively open media environment of the US.” There have been positive developments in a number of countries, most notably in Sub-Saharan Africa, while the Netherlands, Norway and Sweden are rated the world’s top-performing countries. Details at [freedomhouse.org](http://freedomhouse.org)

● The Russian Parliament has passed a bill to restrict and regulate blogging and social media content, expected to be enforced in August.

### BROADCASTING

## FRANCE’S WIDE AIM

France’s broadcasting regulatory authority, the CSA, has published in its 2014 annual report details of a legislative proposal that would allow the CSA to claim jurisdiction over a broad swath of internet content called ‘digital audiovisual services’. According to law firm Hogan Lovells, the CSA’s proposal “is a first step toward extending broadcasting regulation to internet services that fall outside the classical definition of on-demand audiovisual media services... and does not appear to be limited to services established in France.”

## UNITED KINGDOM

### OFCOM RELEASES SPECTRUM PLAN

Ofcom has published a spectrum management strategy that sets out the regulator's strategic approach and priorities for managing radio spectrum. It has also published a statement on spectrum sharing.

There are six priority areas:

- Future mobile data demands – Ofcom will also contribute to international decisions.
- The future of the 700 MHz band and free-to-view TV: Ofcom is investigating the potential to rearrange the bands used for digital terrestrial TV. This could release more of this prime spectrum for mobile broadband use sometime after 2018.
- Public sector spectrum release: the aim is release 500 MHz, with a first step spectrum at 2.3 and 3.4 GHz, which is currently held by the country's defence ministry.
- Programme making and special events: Ofcom is working with stakeholders to understand their

demands for wireless microphones and cameras.

- Machine-to-machine applications: enabling licence exempt access to the 870-915 MHz band is a first step. Ofcom says the UK is among the first to release spectrum that can support M2M communications.
- The emergency services: how best to deliver the wireless needs of the emergency services over the long term.

In the UK, half of all adults own a smartphone and one in four households has a tablet computer, "fuelling a surge in demand for more data capacity". Meanwhile, research commissioned by Ofcom ('Assessment of spectrum demand for M2M applications') has found that by 2022 over 350 million additional devices in the UK – including cars, crop sensors and washing machines – are likely to be connected to the internet.

*More at [bit.ly/1q12hKG](http://bit.ly/1q12hKG)*

## INTERNET

### DYSFUNCTION NEEDS REGULATOR INPUT

A study – 'Policy and regulatory framework for governing internet applications' – produced for Bahrain's regulator, TRA, by Detecon Consulting, should be of wide interest. It provides an overview of internet application business models and examines major regulatory issues, finding that the market has become dysfunctional. It is a global issue – and "the root cause lies in the combination of flat rate tariffs based on business plan assumptions that no longer hold true in combination with apparently non-sustainable competition from OTT players and regulatory obligations which make it impossible for telcos to react freely to the commercial changes demanded of them." It concludes that "it must be a central regulatory task to analyse this dysfunctionality and eradicate the problem." [bit.ly/1mzUxJW](http://bit.ly/1mzUxJW)

## FINANCE

### TELCOs UNITE FOR MOBILE MONEY

Mobile industry body, the GSMA, has announced that nine mobile network operators, Bharti Airtel, Etisalat, Millicom, MTN, Ooredoo, Orange, STC, Vodafone and Zain, "have committed to work together to accelerate the implementation of interoperable mobile money services across Africa and the Middle East regions". These operators account for 582 million mobile connections across 48 countries in the two regions.

According to the GSMA, about 2.5 billion people in lower to middle income countries lack access to financial services but it is estimated that 1.7 billion of them have a mobile phone, so providing infrastructure that can be used to offer services such as payments, transfers, insurance, savings, credit and cross-border remittances.

## EVENTS

19-21 May 2014, Miami  
IIC Regional International Regulators Forum (IRF) and Telecoms and Media Forum (TMF)

3-5 June 2014, Bahrain  
ITU Regulators Symposium

5-6 June 2014, Dublin  
19th BEREC plenary

10-13 June 2014, Geneva  
WSIS+10 High-Level Event

22-26 June 2014, London  
ICANN 50

12-14 September 2014, Arlington  
TPRC: 42nd research conference

6-9 October 2014, Vienna  
IIC Annual Conference and International Regulators Forum (IRF)

20 October-7 November 2014, Korea  
ITU Plenipotentiary Conference

## IN BRIEF

### KUWAIT REGULATOR

Kuwait's government has approved a bill to set up an independent telecoms regulator. The country has been the only Gulf Arab state without a regulator.

### SPAIN ACTS

Spain has approved a general telecoms act that includes incentives for infrastructure, measures to cut the digital divide and gives more powers to regulator CNMC to impose penalties.

### COMPLIANCE COSTS

The OECD has issued a report, 'Regulatory compliance cost assessment guidance', in which it sets out guidance to help policymakers in developing country-specific analysis of compliance costs. It is an output from an ongoing expert group.

### EUROPE'S TELCOs

'Capex – the long march' is the title of this year's annual report by Arthur D Little on European telcos. It foresees a revenue decline of -1.6% (2013-2016) with a contraction in mobile and growth in fixed broadband, but capex will continue to rise amid consolidation.

### DIGITAL YEARBOOK

IDATE's DigiWorld Yearbook 2014 is being rolled out at events in Europe in May and June.