The Parliament and the Internet Conference - Portcullis House, October 12th 2006

Report from Workshop A – Internet Governance

Discussion leader: Derek Wyatt MP, Chairman of the All Party Internet Group (APIG)

Organiser: Jonathan Williams, APIG Secretariat

This session considered the impact of the World Summit on the Information Society (WSIS) and the main internet governance issues now facing the UK.

Derek Wyatt opened the panel discussion by reviewing recent issues arising around governance of the Internet and Web, concluding with a note on the forthcoming, inaugural Internet Governance Forum schedule in Athens from 30 October to November 2nd, 2006. http://www.igfgreece2006.gr/

The discussion which followed centred on the following points:

1. Types of Internet Governance Issues

Internet governance incorporates many different policy and regulatory issues, many if not most of which are being dealt with by a variety of actors and agencies across the world. It is useful to divide Internet governance issues into at least three separate but interrelated categories:

a. Internet-centric issues, such as naming and numbering and standard setting, which are centrally concerned with the Internet. Jurisdictional turf struggles over ICANN fall into this set.

b. User-centric issues, such as gambling, fraud, or malware, in which the behaviour of users is the primary focus. In most cases, laws exist in each nation that govern such behaviour, but greater international coordination, such as among law enforcement agencies is key to moving forward.

c. Non-Internet centric issues, such as copyright, privacy or freedom of expression, where policies exist, but are set by national or international agencies, such as WIPO, the courts, and legislatures. In these cases, the Internet community can comment on and influence debate within other bodies, but the issues are ‘owned’ by others even though they have direct implications for the role and future of the Internet.

In this framework, the best way forward would be for the IGF to identify issues that do not have a home, or which are not being addressed adequately by existing institutional mechanisms.

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2. **Values v. Issues**

The agenda for the IGF is focused on openness, diversity, access, and security. It does not explicitly identify privacy and data protection, but it does not rule out any issue being raised. This focus on what might be called ‘values’, rather than issues, seems to be driven by an effort to bring a broad and diverse constituency into the discussion. A more precise set of specific issues might have been off-putting to some individuals, such as non-technically sophisticated people, and raised jurisdictional questions, since existing actors or agencies own most issues. The IGF must wish to be inclusive and not create an expectation that the forum would somehow solve or take a position on an issue.

3. **Conflicts on the Horizon**

However, the values chosen for discussion might reveal an underlying set of issues on the horizon. These values are not as consensual cross-culturally as they might appear. Security for example can pit national security interests against civil liberties proponents. Diversity and access can array market-led against more public-led, public service oriented media regimes. Openness will not be viewed the same in China and many other Asian nations as it is in Western liberal democracies.

Finally, there is likely to be debate over the linkage between Internet governance and development. At the WSIS, issues of governance were distinct from issues of development, so-called Information and Communication Technologies for Development (ICT4D). Oxford Internet Institute Director William Dutton thought it was a very important and positive step to link these in the inaugural forum on 'Internet Governance for Development', but he wondered if this connection would continue to hold.

**Report from Workshop B - Society and E-Crime**

Discussion leader: Alun Michael MP, on behalf of the European Information Society Group (EURIM)

Organiser: Philip Virgo, Secretary General, EURIM

This session considered the means of encouraging cross-boundary co-operation and good practice in customer education and protection, in reducing opportunities for malicious or criminal behaviour and in handling the consequences.

The following conclusions emerged from this session:

1) **The scale and nature of the problems of E-Crime and Internet Safety**

“People fear Internet crime more than burglary, mugging and car theft” was the headline on Monday 9th October on the Today Programme, News at One, Channel 4 News and elsewhere, but the actual survey questions was “Which of the following do you feel more at risk from in your everyday life?” The answers indicate not that people are more scared of e-crime than of burglary or mugging but that more people are affected by it, more often. That said, we face a genuine crisis of confidence, and awareness campaigns merely raise the fear level unless they are also accompanied by realistic advice as to who to go to report incidents or obtain help.
2) Child Safety

Child protection is one of the few topics on which there is agreement around the world on the need for action, but the task is not simply to screen for images of child pornography. There is evidence of strong correlations between downloading images of child rape and engaging in physical abuse. Previously unsuspected serial predators have already been identified and convicted as a result of requests for guidance from children using the “Report Abuse” button. The Child Exploitation and On-line Protection group has 70 staff, most seconded from industry and children’s charities to help develop and deliver education programmes to schools. The programme will, however, only succeed if complemented by a similar programme to educate parents on supporting their children in safe Internet at home, as with traditional homework or keeping an eye on their behaviour in the real world. Meanwhile, police resources are overwhelmed by the protection and investigation task. For example, 25 adults are queued up to meet a supposedly 13 year old in one chat room alone.

3) The need for co-operation at every level

“Laws rarely prevent what they forbid”: Gibbon. The child protection partnership including the Internet Watch Foundation, Industry, Government and Law Enforcement was said to have achieved more in a year than legislation could have achieved in five. The Global Virtual Task Force appears to be similarly successful but the disparity of resource and expertise between industry and law enforcement means that whole-hearted two-way co-operation is very much more important than nominal legislation to achieve worthwhile results. We will not succeed unless those who wish to promote the safe and secure use of the Internet, whether for e-commerce, e-learning, e-business or e-government place the need for action among their marketing, budgeting and lobbying priorities.

4) Some recommended actions

We particularly need to:

- rationalise sources of advice to reduce confusion and ensure they are realistic, well promoted and funded, including via Citizens Advice Bureaux, Crime Prevention Officers and PC Retailers and all of the other places where real human beings go when they have a problem, because the on-line supply chain will not be easily trusted again by those who have been spoofed.
- ensure that Internet safety and basic security are part of the national curriculum in schools and are also included in all mainstream ICT education and training
- ensure effective reporting routines that facilitate both incident collation and support, protection and redress for real-world victims.

Report from Workshop C – ISPs in the content driven era

Discussion leader: Mark Gracey, Content Regulation Manager, THUS

Organiser: Lucinda Fell, ISPA (The Internet Services Providers' Association)

The session considered the rights and responsibilities of ISPs in the provision of digital content

Mere-conduit status is guaranteed through the eCommerce Regulations and provides vital protection for ISPs, acting to drive innovation and social and economic development. The original rationale behind ensuring the mere-conduit status of ISPs in legislation was linked to the notion of the Internet as a common carrier platform. Since the Internet was first designed it has rapidly evolved and mere-conduit status has enabled this to happen with the ‘real-time’ introduction of new technologies. The Internet is still in its infancy and yet developing rapidly, but there is grave
concern that the erosion of mere-conduit status would begin to facilitate a move to a centrally controlled network eroding the principles at the heart of the Internet, thereby restricting the Internet's status as a common carrier, limiting innovation and freedom of speech.

It was questioned whether broadband take-up was being driven by an increased desire to access music and videos online and whether ISPs should be made accountable for their consumers’ actions where this was done illegally. The notice and takedown regime that operates under the current legislative framework was noted but ISPs also acknowledged the need to take more responsibility. To move the debate forward a solution would need to be found that ISPs, content owners and distributors would all agree with.

Co-operation was identified as a vital element in maintaining market value and price across the board. At a European level the challenge would be to balance the different and varying national ideas of mere-conduit status with the genuine concern of intellectual property and security. It was agreed that the potential for loss of business would negatively affect both the UK and the EU if mere-conduit status was eroded.

Moving forwards

It was noted that consumers and the public should be included in these debates as they are a key part of the online business model and are important stakeholders. It would also be important to talk to copyright infringers to discover why legal sources were not made use of. While P2P technology is not inherently illegal and it would not be appropriate for ISPs to anticipate the outcome of any debate by taking future preventative action, the evolution of future business models to make better use of technology legally should be considered in order to achieve market equilibrium.

It was agreed that it would be better to have a self regulatory regime allowing conformity with public standards rather than legal rules which could not be effectively enforced. This should not be undermined moving forwards.

As consumers are increasingly in charge of the content they access, it was agreed that it would be progressively important to ensure that consumers make use of the tools that they are provided with.

ISPs acknowledged their responsibility in promoting the social benefits of the Internet and the need to continue to be engaged in this debate. It was agreed that ISPA should play a significant role in helping to take this debate forward.

Report from Workshop D - The factors influencing the exploitation of the Internet to the competitive benefit of UK plc

Discussion leader: Andrew Miller MP, Chairman of the Parliamentary Information Technology Committee (PITCOM)

Organisers: Carolyn Kimber, CMA; Christine Stewart Munro, PITCOM

This session considered if, now that UK broadcasters are making much of their content available online, we are on the brink of fully converged services.

The networks and supply chains built around the Internet have an important influence on the economic well-being of our country. Content and the content industry are now the main drivers facilitating the next stages of Internet development. The Internet is causing a re-appraisal by content producers of their structure, range of activities and investments around the world.
Therefore the UK faces a fight to retain the investment it currently enjoys and the opportunity to attract new investment in future.

Benefits and opportunities

Money flows to where it is most welcome. To date the UK has been a welcoming host to the content sector, (but cannot afford to become complacent). Its regulatory environment is very supportive, encouraging both home grown businesses and international organisations to base their activities here. The UK approach to the development of the TV without Frontiers Directive has been pro-investment; as has its support for the country of origin principle and the benefits of this are felt throughout the value chain. Ofcom’s interpretation of the Framework Directives favours competition and there is encouragement for investment in NGNs – a development that will provide the distribution platform of the future for content providers. The Treasury is supportive of a free market in spectrum, which is good for innovation, especially in the highly successful mobile sector, which is as yet an untapped distribution channel for content providers. The UK is a thriving independent film production centre and has a vibrant pool of talent acting as a magnet for inward investment. For example the Harry Potter film set employed six thousand people full time with an inward investment of $1Bn over five years – and there are others in the pipeline.

Threats and Challenges

Not everything in the UK regulatory environment is positive. There are some challenges that might prompt content providers to move out of the UK. If the likely extension of scope of the Audio-Visual Services Directive is applied such that a public service model is imposed on the internet then the UK could become a victim of the country of origin principle as online players move offshore. In particular, Central European countries look increasingly attractive as a regulatory base. Ofcom appears to be sympathetic to the online ambitions of the PSBs whereas other member states have sought to peg them back. Competition in the local loop is an important consideration and unbundling has a significant role to play. Finally, the advent of the 21CN and uncertainty about the regulation of wholesale access is causing unwelcome doubts in the minds of investors.

It was pointed out that there is no universal access to broadband in the UK and the current restraints on available bandwidth are unlikely to support new content and new services. Advantage should be taken of the Ministerial e-inclusion Declaration (in June) that infrastructure funds should be used to achieve 90% broadband coverage of the EU population by 2010 – at present BT’s 21CN aims only to provide 50% of the population with “up to” 24Mb ps by 2011, and there is a lack of any coherent policy to ensure that the gaps in coverage are filled so that near-universal access, at speeds that encourage investment in new content, is achieved in the UK in the immediate future.

Report from Workshop E – Converged Services

Discussion leader: John Robertson MP, Chairman of the All-Party Parliamentary Communications Group

Organiser: Jill Cuthbertson, office of John Robertson MP

This session considered if, now that UK broadcasters are making much of their content available online, we are on the brink of fully converged services.

Introduction

‘Convergence’, the coming together of different services, is an overused and misunderstood term, which can confuse those who will benefit from it. It begins and ends with the consumer and,
whatever happens, the consumer must be protected and must have the best service possible with minimal confusion. Technical convergence is about being able to send video, voice and data via the same platform whilst service convergence is the ability to access the Telephone, TV, Internet and Mobile all from the one provider.

The panellists for this session were Nick Stringer, Government Affairs Manager at Orange and Adrian Askew, General Secretary of the Trade Union Connect. They summed up their perspectives on this issue thus:

Nick Stringer, Orange

Orange recently opted in to the convergence debate offering a ‘one stop shop’ of broadband, fixed line telephone calls (including VOIP), ‘on demand’ TV and, of course, mobile communications. Consumers won’t care how these services are delivered to them but they will care if it offers convenience, simplicity and value for money. There is a huge consumer interest in wanting to access content, entertainment and services wherever they go and with this comes the need for regulation. Industry believes the services must not be over-regulated before they have even begun because it will stifle innovation and investment. There is a need to get the balance right between protecting the consumer and the need for flexibility to deliver new services. There is already a great track record in the mobile industry on self-regulation with a Code of Practice to protect consumers from inappropriate legal and illegal material.

Adrian Askew, Connect

People working in the sectors that are converging look to the future with some trepidation, particularly as everyone knows that their industries are changing, but don’t yet know exactly what the future will look like. The most important thing for people working in these sectors is to have a secure and stable industry behind them. That makes it easier to cope with the inevitable changes that will occur, particularly as the technology that makes convergence possible is also changing the global economy. This means that investment in skills of UK workers employed in these sectors is of vital importance. Whilst convergence means an increasing number of services are being offered over the internet, it is a myth to believe that this makes regulation impossible. However, just because it is possible to regulate does not mean that we should. Government and Ofcom should ultimately place trust in the consumer, but they do have a role to play in protecting vulnerable sectors of society and there is a need to protect in intellectual property rights. Also, to ensure that competition takes place on the basis of quality as well as price, government has a role in ensuring that there is investment in infrastructure and content, preserving high quality UK networks and broadcasting.

Conclusions

Content needs to be accessible to those who want it, whenever and wherever. There is the need to prosecute those who produce illegal content and, protect intellectual property rights and most importantly protect those people who are most vulnerable. Government, Ofcom and all political parties have a responsibility in these areas whilst ensuring the UK is at the forefront in the new technologies and services which are emerging in the industry. Global competition is growing rapidly with countries such as China and India vying for the opportunity to become global leaders in the technological markets, and it is important that the UK continues to have some of the world’s leading experts and technologies across converged services.
Report from Workshop F: Next Generation IP services

Discussion leader: Lord Erroll, on behalf of the Internet Telephony Services Providers Association (ITSPA)

Organised by: Philip Reid, ITSPA Secretariat

This session considered how to ensure an environment develops which both fosters the delivery of innovative services and maximises consumer choice and protection. It looked at issues such as next generation broadband, distribution of media rich audiovisual and communications services via broadband.

Lord Erroll led the discussion by highlighting the rapid growth in IP services as well as the increasing converged world that the industry now operated. The panel acknowledged that despite a slow start, the UK was starting to see an increased awareness and takeup of these services with the increased roll-out of the local loop.

The workshop discussed at length the regulatory impact of next generation IP services. Regulation shapes markets and there was considerable concern about regulating at a national level when these new services would be operating on an international playing field. ITSPA Chair Eli Katz informed the workshop of the discussions that ITSPA had been having with Ofcom, regarding VoIP and believed it was relevant to all next generation IP services. He believed that it was important that a light regulatory touch was maintained at this stage in the development of these services as it would allow the various markets to grow and provide the consumer with suitable choice. ITSPA Vice Chair Kim Chelmsford added that in an era of convergence, a fundamental decision needed to be made about what regulatory conditions these new services would operate in. Many members of the workshop agreed, believing it was Ofcom’s duty to ensure the UK market was flexible and competitive and over-regulation would only hamper the industry at this stage. The workshop recommended the UK take a strong lead on the European front as many representatives believed it was EU legislation that was holding these new services back.

The development of IPTV was discussed at length by the workshop. There appeared to be similar regulatory difficulties, but also some technical problems in which the UK needed to catch up on. While the UK had improved in terms of broadband speed, the UK remained very low down the list in terms of connection speed. Although LLU rollout was now making an impact, the workshop agreed that there was still a long way to go. Antony Walker outlined the need for the deployment of fibre services to the home such as in France to enable the UK to really compete. Kim Chelmsford also looked to the future and questioned what opportunities after ADSL 2+. He also mentioned the opportunities available with WiMax and questioned whether it was a complementary wireless technology or a genuine alternative.

Network Neutrality was also touched on and the workshop acknowledged that while the UK wasn’t in the same situation as the United States, there was the potential for serious problems to arise with the issue of open access and the deployment of next generation IP services. Eli Katz highlighted the best practice document on VoIP, which was currently being drawn up between ITSPA and ISPA as an example of where industry can work together. Within this agreement, ISPA members will endeavour to ensure that voice traffic is not deliberately filtered where feasibly possible and that the customer is informed of any form of filtering that takes place.

The creation of NGNuk was briefly mentioned. This new industry body was set up earlier this year to resolve the technical and commercial problems that surround interconnection between NGNs. The remit of this group had relevance to new IP services but the group questioned how
successful it would be in obtaining international agreements that would be necessary in an NGN world. Issues surrounding the transparency and openness of this new group were also raised.

The workshop didn’t manage to touch on all points when considering next generation IP services however it did agree that some general structure needed to be agreed when rolling out these new products. It was felt that each technology, whether it be VoIP or IPTV would experience similar problems either technically, commercially or in the regulatory sphere. It was therefore important to develop a suitable structure for all new IP services to follow in order to prevent new products being stifled by the same problems. Lord Erroll hoped that this would be possible to ensure the UK was at the forefront of deployment, which in turn would provide the consumer with unprecedented choice. He thanked the panel and the workshop representatives for their forthright views on the issues raised.