The 2010 Parliament and Internet Conference
Thursday 14th October

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The fifth Parliament and Internet Conference was held in Portcullis House on Thursday 14th October 2010. This again proved extremely popular with over 200 delegates attending throughout the day to hear speeches from well-known figures of relevance to the Communications sector as well as to discuss specific issues amongst the six breakout workshops that took place during the day.

It was the first Parliament and the Internet Conference since the May 2010 general election and attendees were interested to discuss some of the new policy initiatives outlined by the Coalition Government as well as understand what effects this would have on the industry.

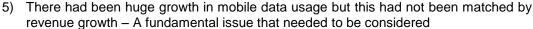The Chair of apComms, John Robertson MP welcomed all attendees and deliberated over the day's proceedings.

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Ed Richards – CEO of Ofcom

Ed Richards, a longstanding supporter of the conference kicked off proceedings with a presentation outlining current trends. He provided an overall flavour of the Ofcom Consumer Market Report that had been produced in August 2010. These included:

1) Take-up adoption – The recession had not had a major impact on digital technology
2) A staggering proportion of people's daily lives (**45%**) was spent using communications technology
3) Communication stacking, where people use more than one form of communication mediums at any one time was on the rise
4) In terms of Mobile Broadband, the number of users was up by half in the past year (9 million in Q1 2009 – 13.5 million in Q1 2010)
5) There had been huge growth in mobile data usage but this had not been matched by revenue growth – A fundamental issue that needed to be considered
6) There had been rapid take up of smart phones which had more than doubled in the last 2 years (5.5 million in Q2 2008 – 12.8 million in Q2 2010)
7) Facebook accounted for 45% of all mobile web usage
8) In the TV market, DVR and HD TV penetration was growing significantly and had regenerated the replacement cycle for TVs and set top boxes. These were now "broadband ready"
9) Huge rise in catch up TV service, which was dominated by iplayer and expected to develop in the coming years
10) Computers were becoming the preferred device ahead of television for the 16-24yr old age range
11) In general, TV and radio remained extremely popular and resilient mediums, with peak time audiences (particularly TV) still very high

He then touched on specific issues on both the infrastructure side as well as the data/information side. In terms of Infrastructure, he indicated that mobile data usage was likely to be one of the greatest challenges for the industry over the next few years. He outlined Ofcom's plans to both release new spectrum and liberalise existing spectrum bands in order to make progress in this area.

On the fixed side, Richards continued to advocate Ofcom's desire to promote both competition and investment. He felt a combination of pricing freedoms for super-fast broadband products as well as two core regulatory products: i) VULA (virtual unbundled local access; essentially fibre unbundling) and ii) Shared access to BT's ducts and poles would help support the business case for super-fast broadband.

On the demand side, he indicated that Ofcom had being doing a lot of work on switching to ensure people had sufficient and transparent information to make an informed choice. Ofcom's report on broadband speeds in May had been one of the most downloaded documents in Ofcom history and was a key aspect in their work.

Richards mentioned Net Neutrality and indicated that Ofcom had a limited remit in this area and that Government would have to decide some of the fundamental questions surrounding this this issue. He accepted that transparency was key, particular in the UK and Europe which had particularly competitive broadband markets. In terms of traffic management, he believed there were some very good examples and some very bad ones. Ofcom would push to ensure that there was widespread good practice.

Finally, Ed Richards touched upon online copyright Infringement. He accepted that it was a very controversial area but clear duties had been set as a result of the Digital Economy Act. He expected to publish the Initial Obligations Code in the coming weeks to introduce the

enforcement measures set out within the legislation. He accepted that there had to be a balance between legitimate commercial options and the enforcement measures implemented.

Shami Chakribarti - Director of Liberty
'Rights and Freedoms in the Virtual World'

Shami Chakribarti was extremely pleased to be invited to speak at the conference. She felt it was an indication that people were considering the implications and opportunities for human rights that the Internet brought.

She primarily focussed on three areas:

1) *Free Speech and Expression*

    She felt in essence, the Internet was an extremely empowering tool which provided political and artistic expression as well as educational learning on a scale never seen before. However she did raise the potential opportunities surrounding censorship on the Internet and believed that it was capable of being worse than other forms of media as people wouldn't necessarily know the extent to the censorship taking place. She felt that there was a danger of being lulled into a false sense of security.

2) *Personal Privacy*

    Chakribarti believed this was an enormous issue for the Internet to come to terms with. She felt it was not just "Big Brother" but little brother too and how people protect their own details online. She questioned whether people's past would come back to haunt them (such as Facebook photos) and whether citizens were doing enough to protect their own reputation online. Data breaches were also heightened by the Internet and she used the example of the BNP party list being published which put people at risk.

    In terms of state regulation of communication services, she accepted that in many cases their attempts to deal with new technology were for the right reasons; safety and national security. However she questioned how far it should go and asked whether all new methods of communication required monitoring. She highlighted the controversial Home Office proposals surrounding the Interception Modernisation Programme (IMP). She questioned whether the IMP proposals, possibly to return onto the political agenda were any different in principle to Blackberry handsets being monitored in the UAE.

3) *Issues of Due Process and Fairness*

    Chakribarti also wanted to highlight the potential risks of punishing people by restricting access. Referring to the Digital Economy Act, she asked whether cutting access for copyright infringement was fair. She questioned the problem that families may face by the actions of one family member.

    In terms of fairness, she highlighted that freedom of speech in different jurisdictions varied so this could have potential implications on saying something online and then visiting a specific territory.

In conclusion, she stated that her comments may sound negative but that she was inherently optimistic about the potential of the Internet. She hoped that representatives within the industry would be able to work on solutions and mechanisms to accommodate the potential risks that she had highlighted.

Nominet Session – making .uk work for you (Baroness Fritchie, Lesley Cowley & Roger Darlington)

The Nominet session was led by the organisations chair and cross-bencher **Baroness Rennie Fritchie**. She indicated that Nominet saw the association of the Internet and Parliament as fundamental and she felt that all politicians had to have an appreciation of how the Internet was evolving. With the Internet taking an ever increasing part of people's lives, she felt that it was now too important to fail and parliamentarians had to be able to understand the issues in order to ask questions that help shape its future.

She outlined how Nominet were trying to make the Internet work effectively and to ensure it was a trusted space. She believed most companies had a good story to tell about keeping people safe online and advocated the need for continued self-regulation. This model, she believed had helped the industry adapt to innovation, shape best practice as well as counter potential threats more quickly. She felt this approach in the UK had been key to its success in the Digital Economy.

Baroness Fritchie outlined Nominet's strong support for the Internet Governance Forum (IGF). She believed that the "UK Internet" could not live in its own bubble and survive in an international economy. She highlighted that whilst the IGF brought many groups (Government, legislators, civil society, academics, industry and individuals) together it needed more input from the general business community. The IGF worked by improving knowledge, understanding and sharing best practice. She felt it also helped discuss "war stories" on areas that went wrong in order to avoid future problems.

Baroness Fritchie mentioned the continuation of the Nominet Internet Awards in 2011 to celebrate the achievements for individuals who have been making the Internet a safer and more inclusive place. She also highlighted the future launch of "Know the Net", an educational website designed to advise people on how to use the Internet both safely and with confidence.

The **Nominet CEO Lesley Cowley** then talked about the approach to developing policy that underpinned the operation of .uk. She highlighted the opportunity to get involved in the new policy process and outlined what Nominet were doing to develop this area. In practical terms, she felt that Nominet were moving to issue based discussion, where everyone with sufficient knowledge could provide useful advice to the Nominet board.

As an example of this work, she outlined the suspension of over 1,200 .co.uk domain names, following requests from the police central e-crime unit in 2009. It was a very high profile activity where sites that were causing real harm and encouraging crime were pulled down. This was preceded by months of ongoing discussions with PCeU which then enabled Nominet to respond very quickly to their request. She believed that this work combined with its efforts on phishing was evidence that Nominet were helping to make the

UK Internet space a more trusted place. She recognised that this was not 'job done' and Nominet had to build on this experience and develop a coherent policy framework.
She called on the audience to participate in this process of the policy group and also announced that the first .uk policy forum will take place next
spring.

Roger Darlington, as deputy chair of the Nominet policy committee then presented the new method of working for the group as a means for improving engagement. Darlington showed a slide which outlined the various channels of communication for stakeholders to get involved in the policy process.

The issue groups formed would have to meet certain criteria. He identified three examples of policy issues that had been currently identified.

1) Registrant Abuse Policy
2) How expired Domain Names are used during the period of the expiry of the domain name and when it ceases to exist
3) Impact of Policy Changes

He believed that the membership of the committee was a good cross-section of the .uk domain space and endorsed Lesley Cowley's call to arms to get involved in the process which was more transparent and inclusive.

Martha Lane Fox - UK's Digital Champion - *'Manifesto for a Networked Nation'*

Martha Lane Fox who spoke at the conference last year was delighted to attend again in order to provide a report on her work over the past year as well as outline plans for the forthcoming twelve months.

She started proceedings by imploring politicians to focus on technology. She indicated that she had met so many people across the country, whose lives had been transformed by getting online and indicated that in the current climate of Government cutbacks, it was important to use the benefits of technology to help empower people. It was her belief that being online was as fundamental as being able to read in the modern world.

Her work had crystallised into three core areas; 1) Outward Facing 2) Internal with Government and 3) Providing thought leadership.

She provided an update on the major campaign; Race Online 2012, a business to business campaign to get people online. She indicated its significant progress fostering strong partnerships with both small and large businesses and other organisations. The target for pledges had been smashed with over 750 partners signing up but now it was a case of ensuring action.

She reiterated the necessity to keep the digital agenda at the heart of the UK's priorities and welcomed the Coalition's focus in this area. Lane Fox outlined her work with the Paymaster General Francis Maude, within the Cabinet Office to ensure the Government did more online. The Digital Public Services Unit was focussing on all Government websites to find new options. The whole process was designed to challenge the Government about how it delivered its own services and to "think Internet first".

The main aims of 'Manifesto for a networked Nation' were Inspiration, Encouragement and Support. She believed inspiration was to be able to show the benefits, while encouragement was then to think about how services could be done differently on the Internet. She felt that the support piece was crucial and access was very important. She suggested using alternative places such as schools, GP surgeries, pubs, bingo halls and post offices with the help of volunteers and community groups to provide access to the Internet and to train people.

Lane Fox indicated that the work was going well and that in the past year, the number of people who had never used the Internet had reduced from 10 million people to 9 million. However she believed that the UK should not be happy with a 70% usage rate and the aim should be the high nineties. She rallied the need for local champions to be able to achieve that goal.

Derek Wyatt

John Robertson then welcomed back Derek Wyatt as the new honorary president of apComms and asked him to say a few words. Derek outlined his plans to set up the Internet Policy Institute. The aim of this body was to set up a global best practice institute for governments, businesses and other organisations. He encouraged all attendees to participate in this initiative.

Ed Vaizey MP, Minister for Communications, Culture and the Creative Industries

Ed Vaizey thanked apComms for the invitation to speak. He indicated that his focus was to talk about Broadband, which was now a hugely important issue. He felt it was worth remembering that the UK had one of the most competitive broadband markets in the world as well as some of the cheapest and most available broadband which gave the UK a good base platform. He highlighted that the Government had set itself a target of achieving the best superfast broadband network by 2015 and accepted there was a debate on what that would mean in terms of speed. He stated that the EU were looking at 30 megabits by 2020 with possibly half the population of Europe getting 100 megabits by the same date. The minister praised the work at a European level and welcomed its initiative to roll out superfast broadband in Cornwall.

The minister then provided an update into the initiatives that the Coalition had set to task on. This began with an industry day in July which brought a huge range of companies involved in broadband delivery to work through the obstacles currently in place. He felt significant progress had been made into understanding how to get broadband to rural areas. The minister indicated that three superfast broadband pilot projects would soon be announced and would also help provide practical solutions and templates that could be used around the country.

He believed a key aim of the Government was to pump prime financial resources where it was needed to help deliver superfast broadband in rural areas. It was an economic reality that

huge Government support was not going to be available. He argued that a huge central Government scheme would be counterproductive and felt it was better to support targeted local schemes. He also believed in many areas it was the Government's role to assist in cutting unnecessary regulation and he was delighted to hear of Ofcom's initiative to open up access to BT's infrastructure as well as exploring potential options to provide access via other utility providers (such as electricity pylons and sewage networks). He also wanted to crack on with the possibility of trying to help communities and local Government have access to other public networks, although he accepted that there were potential state aid issues to work through first in this area.

On the planning side, the minister was keen to ensure all new building programmes and new developments were 'broadband ready' and he had been working with the British Standards Institution to develop new guidance for the building industry and planners. The aim was to have a publically available specification by Christmas.

In terms of mobile broadband he felt it would be complimentary to the roll out of superfast broadband. He stressed a desire to get on with the auction of spectrum and liberalise existing spectrum.

Overall, he concluded that the picture was looking very positive and with targeted Government assistance and a competitive broadband market, significant progress would be made. "In a very British way, slightly zigzagging towards the goal, without a huge budget to put behind it, I think we are well on course to deliver our aim of the best superfast broadband in Europe by 2015"

Workshop Reports

Workshop A - "Internet Governance Forum: From discussion to action" organised by Nominet

Chair: Rt Hon Alun Michael MP

Panellists: Andrew Miller MP, Stephen Mosley MP, John Robertson MP, Mike Weatherley MP.

The workshop reported from the Internet Governance Forum meeting in Vilnius, looked at the implications for the UK and highlighted possible UK priorities for 2011.

Messages from Vilnius:

- The IGF provides a useful platform to share ideas and best practice between stakeholders. Key issues included freedom of access, protecting users from crime, child protection, digital inclusion and access by vulnerable and excluded people, on-line identity management, and the implications of cloud computing for the protection of personal data.
- There are some substantive outcomes from the IGF, including getting child protection issues up the political agenda. However, there is a need to identify where the IGF approach shows benefits – a call to action!

- There is strong support for the renewal of the IGF mandate. However, industry needs to improve its engagement: as an example, creative industry sector issues could benefit from discussion in the IGF.
- Some developing countries are installing world-leading infrastructure: the UK needs to assess its competitiveness.
- The UK, through Childnet, helped young people contribute to the discussions both in plenary and in workshops. Could this approach be copied to bring in other groups?

Looking forward:

The UK-IGF should try to increase industry engagement: we need to raise visibility of the IGF and identify the benefits of involvement. Scenario-building on key themes could help us improve focus, identify issues and promote enabling actions.

Areas of particular interest for UK-IGF work included on-line identity management, digital democracy, developing national competitiveness, and issues affecting the content sector.
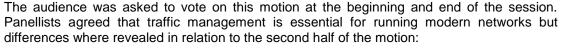

Workshop B - Traffic Management and Net Neutrality organised by ISPA

Chairman: Rory Cellan-Jones (Technology Correspondent for the BBC)

Panellists: Alex Blowers (International Director at Ofcom), Ian Roy (Regulatory Manager at O2), Stephen Collins (Global Head of Government Relations and Regulatory Affairs, Skype), Julian Huppert MP

This lively and well-attended ISPA workshop on Traffic Management and Net Neutrality was chaired by the BBC's Technology Correspondent Rory Cellan-Jones and discussed a motion saying: "*That this House agrees that traffic management is essential for the running of modern networks and that improved and enforceable transparency and market competition will ensure that consumers are protected from potentially negative effects.*"

The audience was asked to vote on this motion at the beginning and end of the session. Panellists agreed that traffic management is essential for running modern networks but differences where revealed in relation to the second half of the motion:
- Ian Roy from O2 broadly supported the market competition angle and highlighted that prioritisation of traffic enables ISPs to offer tailored services that deliver the services that their customers demand.
- Stephen Collins from Skype on the other hand was concerned that service-based discrimination harms consumers as well as content providers.
- Alex Blowers from Ofcom made clear that the regulator is only concerned with the technical aspects of traffic management – leaving issues such as freedom of expression to the Government. He warned against a pure market approach but maintained that there insufficient evidence to justify tight regulation.
- Julian Huppert MP took a cautious view and highlighted that a pure market-based system may fail to protect consumers.

These arguments had a considerable effect on the audience's opinion. The initially broad support for the full motion dwindled and the vote at the end of the session revealed that the audience still accepted traffic management but preferred some sort of regulation rather than a market-based system.

Workshop C: What should the government's target be for broadband in the UK? organised by the Broadband Stakeholder Group.

<u>Chairman:</u> Peter Shearman (Broadband Stakeholders Group)

<u>Panellists:</u> Brian Williamson, (Partner, Plum Consulting)
Matt Rogerson (Senior Public Affairs Manager, Virgin Media)
Julie Minns (Head of Regulatory and Public Policy, 3UK)

The BSG session discussed the impact of setting targets for broadband delivery on broadband policy. The views expressed by the panel suggested that policymakers need to be careful when setting goals, especially those focused on delivering fibre and other high-speed communications infrastructure. There is likely to be value in universal availability of some form of connectivity; understanding how this compares to faster connectivity for some is important for policymakers. Government should also focus on the consumer/citizen need, and be wary of comparative targets.

The session also heard that significant barriers remain to Internet adoption, and there was a need to continue to work hard to address this while realising that quick wins and big behavioural changes are unlikely. There were also considerable concerns over rural broadband provision, and the impact this had. It was likely that a range of technologies would be required to meet this need, and spectrum policy will play in to this. Finally, it was hoped that Government continues to address the small, often boring but ultimately important issues that can remove barriers to private investment.

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Workshop D: Broadband for all my constituents... How MPs and Industry <u>could</u> make a difference organised by PITCOM (Parliamentary IT Committee)

<u>Chairman:</u> Andrew Miller MP

<u>Speaker:</u> Malcolm Corbett (INCA)

Malcolm Corbett of the Independent Networks Co-operative Association outlined his organisation's vision of 100% connectivity, 100% connected and 100 mps symmetrical broadband access in the UK. He went on to use a case study based in Oxfordshire where both Ed Vaizey and David Cameron have constituencies which showed current coverage, where there is competition and the not spots. It was not a good picture for such a semi-rural area which is indicative of wider areas of the community.

He said that we need to think big government, big company and big society and suggested that the public sector could provide the answer by opening up the public sector network to afford greater access. Parliament could help by clarifying plans for national investment,

reducing barriers to private investment, ensuring availability of backhaul and by bringing local stakeholders together in the way that Rory Stewart MP has done in Penrith.

Some workshop attendees suggested that every political speech had stated the importance of universal broadband to the country but there was not, to date, a combined political focus. This could be reversed by MPs ensuring that the current parliament attends to the imbalance of fibre rating, ensures that broadband is part of building regulations for all premises not just domestic, legislates an updated framework for the co-ordination of utility work, and expands duct sharing to national and local authority areas , railways and motorways.

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Workshop E: Making the Internet safe to learn, work and play organised by the Information Society Alliance (EURIM)

Chairman: Rt Hon Alun Michael MP

Speakers: Professor Michael Levi, Alexandra Brooke (National Fraud Authority), Tony Neate (Get Safe On-line)

Dr. Michael Levi of Cardiff University gave an overview of plans for an "audit" of the e-crime policy space. This will include a mapping of actors and initiatives which relate to cybercrime as well as an analysis of the harms and challenges this form of criminality presents. Any future solution will require international cooperation and coordination across the public and private sector divide. Alexandra Brooke of the National Fraud Authority (NFA) gave a briefing on the current scale of fraud in the UK, the impact on victims of fraud, and provided a summary of the key priorities of the National Fraud Strategy. These included: building capacity for information and intelligence sharing, raising public awareness; and ensuring forward activity is sustainable whilst consistently bolstering the UK's long term protection against fraud.

Tony Neate (GetSafeOnline) explained how GetSafeOnline works alongside government agencies (including the NFA) and law enforcement to provide unambiguous, unbiased, user-friendly advice to consumers and small businesses on how to protect themselves online. He stressed that in many ways consumer awareness (in terms of the proportion people using anti-malware tools and anti-virus software) had dramatically improved over the last 5 years. However, he also underlined that in the face of a growing tide of online scams and evolving threats, there was a clear need for a behavioural change across consumers in their attitudes and approaches to online transactions and social networking in order to maximise safety.

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Workshop F: Internet Telephony - Retaining your phone number in an IP World - Are consumers being held hostage? organised by ITSPA

Chairman: Trefor Davies (CTO of Timico and ITSPA Council Member)

Panellists:
Bob Falconer (Chief Executive of Gamma Telecom)
Jim Reilly (OTA who has been looking into the number portability discussions)
Les Oliver (InterConnect Communications and Chair of the NP commercial Working Group)
Peter Gradwell (Gradwell Dotcom)

Peter Gradwell kicked off the session with an update on the problems and the mechanics involved in switching phone numbers. A Gradwell customer also attended and provided a useful insight into the problems he had experienced from his previous telephony provider. His business had lost the use of the number range for 45 days at a cost of around £10,000.

Bob Falconer indicated that the root of the problem was in the technology and in the onward routing process. He also highlighted the increasing shortage of numbers which was an issue that Ofcom needed to address. He believed that whilst change would take place, that change would invariably take place at the pace of the larger operators, which was very slow. The cost involved for them was not insignificant hence the lack of urgency on their behalf.

Jim Reilly outlined the work he had been doing on this subject at the OTA, indicating that he had discovered a 'hornets nest'. The headline problems for the smaller players was service establishment, whilst for the bigger players it was the general archaic order process. He felt the only solution was for industry to work together and to then provide some solutions for Ofcom (who had already had their fingers burned on this issue).

Les Oliver outlined some of his experience around the world on number portability and touched on the idea of a central database. A number of countries had now set up a centralised system and indeed the UK was held up by many other nations as the way not to do number portability. He accepted there was potentially significant cost for the larger carriers, although in some countries the upfront costs were reclaimed at a later date.

Trefor Davies reported back to the plenary session, indicating that this was a problem that was going to rise up the agenda and that Ofcom and MPs were going to start receiving a lot of letters through their mailbox. There appeared to be some appetite within the VoIP community to help resolve the issue and refocus its support for the groups currently looking into this.