

ISOC European Regional Bureau Newsletter

19 November – 25 November 2016

<http://www.Internetsociety.org/what-we-do/where-we-work/europe>

Internet Access

EU: Franco-German letter calls for electronic communication service providers' cooperation

- The **German-French letter** called for **reinforced cooperation between law enforcement agencies and electronic communications service providers**. Originally dated 28 October, the letter was subject to discussion during the Justice and Home Affairs Council on 18 November.
- The letter – co-signed by the Interior Ministers of France and Germany (Bernard Cazeneuve and Dr de Maisière respectively) - highlighted their **commitment to work with Internet companies to combat terrorism**. They called for a reinforcement of the legal obligations of electronic communications providers to cooperate with authorities when managing criminal investigations – for example, instant removal of messages promoting any form of terrorism.
- Citing the threat of terrorist attacks, the Ministers specifically asked for cooperation with electronic communications providers not based in the EU.

EU: Council approves Geo-blocking proposal

- The European **Council published its approach on the proposal for a regulation on geo-blocking, which the Competitiveness Council will formally approve during its meeting on 28 November**.
- Opposing countries – such as Belgium and Poland – called for the draft to be reworked, referring to aspects such as the need for greater legal clarity on new duties for businesses. They have gone as far as redrafting sections of the document.
- The Commission proposal was published in May and sought to require online retailers to provide their service regardless of the country of origin of the customer.
- The European Parliament is in the process of finalizing a report on geo-blocking which is expected to be ready by mid-2017.

Austria: National Parliament bans price parity clauses used widely by online booking platforms

- **The Austrian Parliament adopted legislation banning price parity clauses used by popular websites such as Booking.com and Expedia**. Parity clauses prevent hotels that appear on their portals from offering cheaper prices elsewhere.
- European competition authorities pushed for a re-drafting of the clauses on the basis they restrict competition. Legislators in France, Italy had previously imposed similar measures against parity clauses.
- The **European Technology and Travel Services Association (ETTSA) claimed hotels free-ride on investments made by the portals** and noted the possibility of filing a complaint with the Commission on the basis that the rules breach EU competition and internal market rules by jeopardizing the functioning of the Single Market.

UK: London Underground operator to collect users' mobile data

- For a period of one month from 21 November, **London Underground operator TfL will collect data from mobile devices that are connected to a station's WiFi network at 54 central London stations.**
- TfL has partnered with Virgin Media to provide access to 250 London Underground stations in order to provide customers with Internet access – and offered assurances that data collected will not be used to identify individuals or monitor browsing activity.
- The aim behind the recollection of data is to understand customer movements on the network. Data will be used to test how useful it could be to improve services (manage disruptions and events more effectively, meet customer needs and ensure a safety environment), provide travel information and help prioritise investments.

Trust

EU: European Commission victim of large-scale cyberattack

- The **European Commission suffered a significant cyberattack on 24 November that brought down Internet access for several hours.** The attack was described by the Commission's IT services as a "denial-of-service" that resulted in the saturation of Internet connection.
- A Commission spokesperson declared that the attack was successfully stopped and no data breach had occurred; connection speeds were affected, however.
- The Commission's response team that had mitigated the effects of the attack – the perpetrators of which are unknown - were preparing for further attacks, since denial-of-service attacks are often executed in waves.

UK: Mobile cyber-attack puts Three customers private information at risk

- Mobile provider **Three admitted to a breach of its database affecting six million customers' private information.** The company asserted that the database did not contain payment or banking details but did include names, phone numbers, addresses and dates of birth.
- The hack was carried out using an employee login. Hackers accessed customer accounts, upgraded them and intercepted the new phones, possibly with the aim of selling them.
- The National Crime Agency is investigating the breach and confirmed the arrest of three people as a consequence. Two have been accused of computer misuse and one of perverting the court of justice.

Germany: Chancellor Merkel highlights dangers of fake news and misinformation

- After announcing on 20 November she will be running for a fourth term in office, Chancellor Angela Merkel noted an unprecedented **change in the political landscape**, referring to "a completely new media environment".
- In her address to the parliament she stated the spread of fake news on social media platforms was responsible for **triggering the rise of populism and political extremism in Western democracies** – and signaled trolls, algorithms and fake news sites are a unique phenomenon that may require regulation. She expressed her support towards new initiatives to limit hate speech.
- Merkel's remarks come just days after **Facebook and Google announced plans to tackle misinformation.**
- MEPs also urged the European Commission to increase its' efforts in the fight against misinformation and radicalization online, as well as counter Russian propaganda. In its **report**, the European Parliament asks the Commission to invest more in online and local media, investigative journalism and information literacy. Currently there is a task force in place, part of the European External Action Service, with less than six members.

UK: Investigatory Powers Act creates increased VPN service demand

- The **enactment of the Investigatory Powers Bill has led to an increase in the use of VPN services** that do not reveal the location from which the user is browsing the web; one provider of VPN services reported a double-digit growth since the adoption of the Act and a **number of providers** are pitching their services to the UK market.
- The Investigatory Powers Act provides the UK intelligence agencies and police with the most wide-sweeping surveillance powers, unmatched by any other Western democracy. The Act – which was subject to relatively little opposition against a backdrop of fears over Islamic attacks – permits the monitoring and analysis of citizens' communications regardless of whether they are suspected of any criminal activity.
- Key figures such as Jim Killock, Executive Director of Open Rights Group, criticized the Act for allowing unprecedented surveillance powers more suited to a dictatorship than a democracy.

Other

EU: Maltese reveal Digital priorities of forthcoming EU presidency

- **Malta published its priorities for its forthcoming Presidency of the Council** on 21 November with the digital focus on **Spectrum, geoblocking and Wi-Fi 4EU**.
- Malta will aim to conclude negotiations with the European Parliament on the 700 MHz spectrum band; they intend to reach political agreement on the review of the wholesale mobile roaming market.
- Pablo Micallef, spokesman for the Maltese Presidency, said considerable progress will be also made on **the consumer protection cooperation, copyright and the Audiovisual Media Services Directive**.
- Concerning geoblocking, the Council position will be finalised by the end of November, although the European Parliament will not publish its report on geo-blocking until mid-2017. This means the dossier will likely be finalised under the Estonian Presidency due to start in July 2016.
- Therese Comodini Cachia - rapporteur for copyright, and herself a Maltese national – was among those to express disappointment at what she perceived as an unambitious digital agenda, noting her surprise that copyright was not highlighted as a priority.

UK: London's status as global tech hub boosted as companies make major commitments

- Five months after the Brexit vote, **London's tech sector experienced a significant boost to its credentials** as a result of Google and Facebook announcing major expansion plans, despite political uncertainties and concerns over skills shortages.
- **Google confirmed that their "landscaper" London headquarters will proceed, and will house up to 7,000 employees.** The campus will constitute the first Google-owned and designed building outside the US.
- **Facebook** announced on its own UK expansion on 20 November with **proposals to hire 500 new employees** - a rise of staff by 50 per cent - as it prepares to open new offices in London in 2017. Facebook's London office is at present the company's largest engineering base outside the US
- London will pursue its fight as the digital capital of Europe. Other European capitals such as Berlin and Paris are expected to become serious competitors as some UK-based tech companies may struggle to fill key engineering roles as a consequence of skill shortages caused by the Brexit vote.

EU: 2016 Edition Yearbook Online Service reveals Internet as the first advertising medium

- The European Audiovisual Observatory, in collaboration with the Council of Europe, **published the 2016 Edition of the Yearbook Online Service**. For the first time, the **Internet became the most prominent advertising medium with a market share of 33 per cent**. The increase of Internet advertising has had a negative impact on newspapers (-26 per cent between 2011- 2015) and magazines (-27 per cent).

- The Observatory's flagship Yearbook offers searchable data by topic, country and theme. It offers information around pan-European data sets, country profiles and key trends and covers 40 European countries - all EU Member states plus Albania, Bosnia and Herzegovina, Iceland, Liechtenstein, Montenegro, Morocco, Norway, Russia, Switzerland, The Former Yugoslav Republic of Macedonia and Turkey.