

European Regional Bureau Newsletter



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Internet Access

EU: Mobile World Congress 2018 is all about 5G

- The GSMA [Mobile World Congress](#) (MWC) 2018 took place in Barcelona between February 26 and March 1, and 5G was on the top of the agenda.
- The industry was very vocal about its plan to deploy 5G, with the first networks based on the new technology to be implemented this year.
- Ericsson Chief Executive, Borje Ekholm, proclaimed himself confident that, by 2023, there will be a billion 5G subscriptions worldwide.
- Huawei unveiled its first chip enabling devices to access 5G Internet speed, called the Huawei Balong 5G01. T-Mobile announced plans to roll out 5G in 30 cities this year. The Nokia 5G network is set to be deployed on the 600MHz and 28GHz mmWave spectrum in 2018.
- European Digital Commissioner Mariya Gabriel [met](#) with key stakeholders during her visit to the MWC 2018, taking the opportunity to discuss progress in deploying 5G and in developing partnerships with vertical industries.
- BEREC Chair Johannes Gungl has also attended the event and [welcomed](#) the opportunity to exchange views with other stakeholders, on the “challenges ahead like spectrum availability, speed of network roll-out or creating sufficient demand.”

EU: Institutions reach compromise on spectrum

- On March 1, the EU co-legislators met on the European Electronic Communications Code (EECC), reaching a deal on some highly debated aspects of the telecoms reform, notably on the length of spectrum licences and availability of spectrum bands for 5G, as well as a peer review mechanism.
- The European Parliament, the Commission and the Council of the EU have agreed on minimum spectrum license period for an initial 15 years, with an extension under normal circumstances to 20 years.
- An agreement on the coordinated timing for specific 5G bands (Art. 53 A) was also reached, confirming certain spectrum frequencies for 5G will be freed up by 2020.
- Both the EP rapporteur [Pilar del Castillo Vera](#) (ES, EPP) and the EC’s Digital Vice-President [Andrus Ansip](#) welcomed the compromise, following the long negotiations.

EU: VP Ansip defends net neutrality at Mobile World Congress 2018

- Taking the floor at the Mobile World Congress 2018 in Barcelona on February 26, Vice-President for the Digital Single Market Andrus Ansip [defined](#) the Internet as an “open, fair and neutral platform from the start.”
- Contrasting the US Federal Communications Commission’s decision to repeal the Obama’s Open Internet law, VP Ansip argued he would keep on “defend net neutrality rules and an open Internet in Europe.”
- On the same occasion, FCC Chairman Ajit Pai [stated](#) the Internet would continue to thrive despite “fear mongering”, and that the market, not the government, will boost investments going forward.

Trust**US: Microsoft’s data case in Supreme Court**

- On February 27, Microsoft took the stand in a [Supreme Court case](#) that will determine whether US jurisdiction is allowed to seize data stored abroad.
- The case, which could have global implications, dates back to 2013. It involves a US warrant forcing Microsoft to hand over the contents of an e-mail account used by a suspected drug trafficker, whose data was stored in a data center in Ireland. Microsoft argued that US law enforcement should have asked Irish authorities to get the e-mails’ content.
- The US Supreme Court will likely make a decision by the end of June.
- Europe is closely watching the case. DIGITALEUROPE has submitted an amicus brief and [expressing](#) its concern about “US attitudes towards European data”. In particular, DIGITALEUROPE strongly opposed claims by the Supreme Court that the issue at hand was not “an international problem.”

EU: Facebook prepares for the GDPR

- On February 28, Facebook [announced](#) it would introduce improved privacy controls ahead of the entry into force of the General Data Protection Regulation (GDPR), in May 2018.
- Users will be given the choice to enable [facial recognition](#), a tool which would allow users to know when a photo of them is unloaded, even if they have not been tagged.
- People will also be asked to confirm their intention to have their religious, political and “interested in” information on their profile.
- Further details on additional measures will be available in the coming weeks.

EU: Commission gives online platforms one hour to scrub illegal online content

- On March 1, the European Commission [said](#) Internet companies should be ready to remove illegal content within an hour of being notified and recommended a set of [measures](#) they should take to stop its spread.
- Digital Vice-President Andrus Ansip noticed some progress has been made, but it was not enough. Online platforms were given three months to show they are removing such content more rapidly, or face legislation obliging them to do so.
- The suggested operational recommendations are non-binding, and no sanctions are envisaged in case of infringement, but they could be taken into consideration by European courts. They list guidelines on how firms should remove illegal content, from copyright infringements to hate speech, and suggest faster detection and effective removal of terrorist material.

Global: Google unveils data on “right to be forgotten” requests

- Google is [updating](#) its transparency report with new data on “right to be forgotten” requests, and expanding the scope of the report to include additional information such as the type of requesters and content of request for deletion (i.e. categorising the type of information that would be deleted).
- The report shows that 89% of requests come from private, everyday users, while 11% come from “other” users (which include minors, corporate entities, government officials and politicians, and public figures)
- The transparency report shows the number of URLs to delist received (2 439 892 worldwide), the proportion of those delisted (56.7% worldwide), and anonymized examples of some of the requests.

EU: Horizontal WP on Cyber Issues meeting

- The Council’s Working Party on Cyber Issues is [meeting](#) on March 5.
- The EU Members’ cyber attachés will discuss the EU Coordinated response to Large Scale Cybersecurity Incidents and Crises with representatives from Europol and ENISA (the EU Cybersecurity Agency).
- The Commission will then present the state of play of the initiative for establishing European Cybersecurity and Research Competence Centre and its network of competence; as well as the upcoming Cybersecurity challenges conference (March 26, Sofia).

Others

UK: UK gets tough on tech giants’ tax

- Following a [public consultation](#) on the challenges posed by the digital economy for the corporate tax system, UK Financial Secretary, Mel Stride, [affirmed](#) that technology firms could face a tax on their revenues, as the “potentially preferred solution.”
- In an interview with the BBC, Mr Stride [argued](#) the current regime was not taxing large companies fairly. The focus is on big digital businesses which have a very low physical presence and “generate billions of pounds worth of value in the UK”, but are not contributing in a similarly generous way to the country's tax take.
- The UK is not the only country considering this, France has vocally supported a revenue tax. The European Commission is due to come out with a proposal next month (see below for leaked draft). The OECD is also due to report to the G20 with its position on taxation in April.”

EU: leaked draft report on EU’s digital tax

- The European Commission [aims](#) to tax digital companies that have global revenues of more than €750 million and annual EU revenues in the range of €10 to 20 million. According to the text, the new tax would be collected annually and levied on the gross revenues at rates between 1 and 5%.
- The leaked document states the proposed legislation is a temporary measure to be implemented while the EU works on a more comprehensive solution.
- For the comprehensive solution, the EC proposes the introduction of a Directive and a recommendation.
- The Directive would “address situations where there is a certain level of digital activity, but Members are currently prevented from taxing it, due to a lack of physical presence.” Meanwhile, the recommendation would advise EU countries on how to implement the new rules while avoiding the risk of double taxation.

- The document suggests firms should be taxed based on where users are located. It lists some additional criteria targeted at attributing profit to a digital company, notably the users' engagement and contributions of the development of a platform; the data collected from users through a digital platform; the number of users and user-generated content.
- To minimize compliance burdens, the EC proposes a simplification mechanism based on the One-Stop-Shop model.
- The EC will release its plan on digital taxation by the end of next month. The proposal, once finalized, will need to be approved all EU Members.