



Internet Governance in **September 2017**

26 September 2017

Geneva Internet Platform



DiPLO

Main events in September

3-5 Sept.	9th BRICS Summit (Xiamen)
7-14 Sept.	APNIC44 (Taichung)
13-15 Sept.	ITU Expert Group on ITRs – Second Meeting (Geneva)
18, 21-22 Sept.	ITU CWG-Internet: 5th Physical OC Meeting; 10 th Meeting (Geneva)
18-22 Sept.	LACNIC 28/LACNOG 2017 (Montevideo)
19 Sept.	InterCommunity - ISOC's 25th anniversary (around the world)
19-20 Sept.	ITU CWG-WSIS – 31st Meeting (Geneva)
19-25 Sept.	UN General Assembly: Annual General Debate (New York)
25-27 Sept.	Working Group on Enhanced Cooperation (Geneva)
25-28 Sept.	ITU Telecom World 2017 (Busan)
26-28 Sept.	WTO Public Forum (Geneva)
27-28 Sept.	Crisis Code: Humanitarian Protection in the Digital Age (San Francisco)
27-29 Sept.	5th Europol-INTERPOL Cybercrime Conference (The Hague)
29 Sept.	Tallinn Digital Summit (Tallinn)

Visit dig.watch/past-events for details

What happened in September?

Internet Governance BAROMETER (SEPTEMBER 2017)

IG Barometer indicates the presence of specific IG issues in the public policy debate in comparison to the previous month

Global IG architecture



BRICS leaders expressed support [for](#) the central role of the UN in developing norms of responsible state behaviour in cyberspace. They emphasised the principles of the international law as enshrined in the UN Charter (particularly sovereignty, political independence, territorial integrity, non-interference, and human rights and freedoms), and reiterated the call for a UN-based universal regulatory binding instrument on combatting cybercrime. [for](#)

Cybersecurity, violent extremism, and emerging technologies were among the main digital policy issues highlighted by heads of state during the annual UN General Assembly debate. *Read our analysis in Issue 24 of the Geneva Digital Watch newsletter.*

Sustainable development



The ITU and the UN Broadband Commission for Sustainable Development's 'The State of Broadband 2017: Broadband Catalyzing Sustainable Development' [provides](#) a global snapshot of Internet access, examines trends in connectivity, reviews policy and regulatory developments, and presents a number of policy recommendations. It emphasises the utility of broadband technologies in accelerating the sustainable development goals related to food security and ending hunger; health and well-being; inclusive and quality education for all; and protecting the environment.

Security



Europe is still not well equipped when it comes to cyber-attacks, and cyber-attacks can be very dangerous to the stability of democracies and economies, European Commission President Juncker said in his State of the Union address. [The](#) EU therefore plans to beef up the cyber agency ENISA, by boosting its staff and budget, and extending its mandate to include operational assistance to member states in case of cyber-attacks. [for](#)

Researchers have discovered a botnet, called Onliner, [that](#) has collected 711 million email accounts used to send spam messages. [The](#) emails used to send out spam would bypass spam filters by sending email through legitimate email servers. In another breach, the personal data of 140 million people were exposed by a breach on Equifax's website, [one](#) of the three biggest consumer-credit reporting companies in the USA. It is claimed [that](#) the company reported the breach five months later. [for](#)

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E-commerce and Internet economy



New tax proposals and regulatory rulings have placed e-commerce and the Internet economy under focus this month. [Read our analysis on new tax proposals, and regulatory decisions on Uber in London and ICOs in China](#) [Read in Issue 24 of the Geneva Digital Watch newsletter.](#)

The members of the North American Free Trade Agreement (NAFTA) are undertaking another round of negotiations [on 23-27 September](#). An issue that remains unclear is how much of the Trans-Pacific Partnership's (TPP) terms will carry over into the NAFTA process.

Economic ministers from the Regional Comprehensive Economic Partnership (RCEP) – a proposed free trade agreement between the 10 member states of the Association of Southeast Asian Nations (ASEAN) and the six states with which ASEAN has existing free trade agreements (Australia, China, India, Japan, South Korea and New Zealand) – pledged to ramp up their negotiating efforts [on an extensive regional free trade deal](#), following a meeting in Pasay City, Philippines. [The mega trade agreement aims to cover goods, services, investment, competition policy, and intellectual property rights, among other issues.](#) The next negotiating round for the RCEP is scheduled for mid-October in Korea.

In a communication by the European Commission to the European Parliament on a 'Balanced and Progressive Trade Policy to Harness Globalization', [the Commission laid out its vision and priorities in the field of trade negotiations.](#) Concrete proposals include creating a framework to screen foreign direct investment in the EU; starting negotiations to create a multilateral court for the settling of investment disputes; and starting negotiations to conclude trade agreements with Australia and New Zealand. Some of the topics were highlighted in the annual State of the Union speech [by Commission President Jean-Claude Juncker.](#)

Digital rights



Agencia Española de Protección de Datos (AEPD), Spain's data protection watchdog, has fined Facebook €1.2 million [for collecting personal data from Spanish users without informing them of how it was to be used.](#) [AEPD ruled that Facebook was collecting its users' personal and sensitive data, such as the user's ideology, religious beliefs, and personal tastes and navigation, among others, without their 'unequivocal consent', and was making the profit by sharing this data with advertisers and marketers.](#)

Google is being sued [for gender discrimination in its employee practices, over pay discrimination and channeling of women into lower paying job tracks.](#) [Google denies the claims.](#) Earlier this year, the US Department of Labor 'found systemic compensation disparities against women pretty much across the entire workforce', a claim disputed by Google. [Google.](#)

Authorities in Togo have ended an Internet shutdown [after blocking Internet access during protests on 5 September.](#) [While Saudi Arabia has decided to lift the ban on Voice over Internet Protocol \(VoIP\) services, such as Skype, which have been prohibited since 2013.](#) [But in India, new rules will legalise temporary phone and Internet service shutdowns 'during a "public emergency" or for "public safety".'](#)

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Jurisdiction and legal issues



Google will start complying with search warrants to produce data stored in its servers overseas, the US Justice Department has said. One exception will be search warrants issued by courts in the Second Circuit (Connecticut, New York, and Vermont). Last year, a New York judge ruled that Microsoft could not be obliged to provide data stored overseas on the basis of search warrants.

The Privacy Shield raised the bar for transatlantic data protection, a joint press statement by the US Secretary of Commerce and the European Commissioner for Justice, Consumers and Gender Equality states at the end of the first annual review. Since the programme's inception, more than 2400 organisations have joined the Privacy Shield.

Meanwhile, in the Federal Trade Commission's first Privacy Shield enforcement actions, three US companies entered into consent agreements after they allegedly gave their customers false information. The companies claimed they were certified to participate in Privacy Shield, whereas in reality, they had failed to complete this certification process.

Infrastructure



Amazon has put forward its arguments to the ICANN Board, urging it to immediately approve its application for .amazon. The board had previously rejected this application, but was advised to re-evaluate the application, after an Independent Review Panel found that the Board had not exercise sufficient independent judgment when considering the application, and that the Government Advisory Council was not procedurally fair.

In Spain, judicial authorities issued an order asking Fundació puntCAT, the registry for .cat, to block all .cat domain names that host any kind of information about the independence referendum in Catalonia planned for 1 October. The referendum had been ruled illegal by the Spanish courts. In a letter sent to ICANN, the registry expressed concerns over the order.

Financial support will be provided for local wireless access points in the EU under the project Wi-Fi4EU, free of charge and without discriminatory conditions. The funds will be used in a 'geographically balanced manner' in more than 6000 communities across member states on a 'first come, first served' basis. Connection will be available in centres of public life, including outdoor spaces accessible to the general public, libraries, public administration and hospitals.

A new subsea cable connecting North America with mainland Europe has now been completed. The transatlantic cable Marea, which is 6600km long and has a capacity of 160 terabits per second, is the result of a collaboration between Facebook, Microsoft, and Telxius, a telecommunications infrastructure subsidiary of Telefónica.

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Net neutrality



As the Federal Communications Commission (FCC) is expected to make a final decision with regard to the US net neutrality rules by the end of the year, a coalition of activists and civil society organisations is planning a new action in support of net neutrality, on 26-27 September. The Battle for the Net initiative, [which](#) also organised the Day of online action on 12 July, [is](#) now encouraging Internet users to travel to Washington DC, to advocate for maintaining the 2015 net neutrality rules. The FCC, which received millions of public comments [during](#) an online consultation period, [will](#) meet on 30 September.

Meanwhile, in an interview, FCC chair Ajit Pai is encouraging US Congress [to](#) take hold of the issue and pass legislation. [On](#) the one hand, according to Pai, this would withstand changes in FCC leadership. [On](#) the other, ISPs could exert their lobbying power [on](#) a Republican-majority Congress.

New technologies (IoT, AI, etc.)



Russian President Vladimir Putin warned about the dangers of global monopolies in AI, [while](#) Tesla CEO Elon Musk, said that AI could lead to the third world war. [In](#) the UK, the Ministry of Defence announced that the country would not develop or use fully autonomous weapons.

India's AI task force [started](#) working on recommendations to accelerate the deployment of AI technology, [while](#) Australia's newly created Autonomy, Agency and Assurance Institute [will](#) focus on developing the country's AI capabilities.

IBM and the Massachusetts Institute of Technology (MIT) have announced a 10-year partnership on AI research, and the creation of the MIT-IBM Watson AI Lab [to](#) work on AI algorithms, the physics of AI, the application of AI to industries, and advancing shared prosperity through AI. [Canadian](#) Prime Minister Justin Trudeau welcomed the opening of a Facebook AI lab in the country, [saying](#) this 'will show that Canada is ... an influential player in the field of AI in the world'.

The International Civil Aviation Organization (ICAO) has proposed the creation of a single global drone registry, [which](#) would act as a one-stop-shop allowing law enforcement agencies to remotely identify and track drones, as well as their operators and owners. [In](#) the USA, the Department of Transportation and the National Highway Traffic and Safety Administration released a new set of guidelines for automated driving systems (ADS), [which](#) provide a nonregulatory approach to automated vehicle technology safety'.

In its 2017 Global Internet Report: Paths to Our Digital Future, [the](#) Internet Society notes that the IoT 'will transform both the Internet and the global economy', and recommends that economies and societies prepare for the disruption that these technologies are to bring.



**Which were the main
digital policy trends in September?**

1. Push to tax Internet giants accelerating



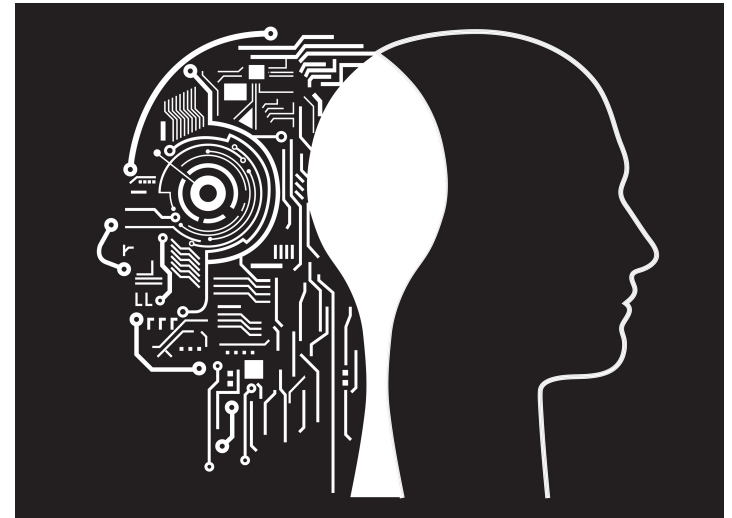
- Internet companies taking advantage of 'loopholes' from incoherent tax rules. Countries trying to eliminate this practice
- Two tax proposals:
 - (a) France: impose equalisation tax on revenue (vs. profits)
 - (b) Estonia: push for concept of virtual permanent establishment; companies taxed where value is created
- Ireland opposing, but Council hopes for common understanding. Juncker supporting qualified majority



2. AI: An international race in the making?



- AI was in focus in July & August; the trend continues this month with more countries focusing on AI:
 - Australia creates research institute
 - India sets up task force
- New warnings emerge:
 - Putin: the leader in AI will become ruler of world
 - Elon Musk: Competition for AI superiority could be cause of WW3
- Among the dangers: development of legal autonomous weapons



3. More pressure to remove extremist content



- At UNGA debate: Fight against extremist content among main digital policy issues
- Sidelines of UNGA, discussion with tech companies:
 - UK's Theresa May: remove content within 1-2 hrs
 - Tech: significant technological burden
 - Italy: we can't reduce our ambition because of difficulties
- BRICS leaders also concerned; committed to prevent spread of extremist content



4. ICO crackdown in China



- Recent practice: surge in Initial Coin Offerings (investment through new cryptocurrencies: high reward/high risk, unregulated)
- Total raised in January-September 2017: \$1.7billion
- China: banned ICOs and requested proceeds to be returned
 - To protect investors
 - Scammers hiding behind ICOs
- To regulate or not to regulate?



5. Uber banned again: this month, it's London



- TfL will not renew licence over 'lack of corporate responsibility in relation to a number of issues which have potential public safety and security implications'
- Implications of ban:
 - Workforce
 - Consumer choice
 - Financial
 - Reputation
- Is ban the result of pressure from traditional taxi companies?



Main events in October

2-3 Oct.	Brandsand.Domains Conference (The Hague)
4 Oct.	5th ENISA National Cybersecurity Strategies Workshop (The Hague)
4-6 Oct.	UNCTAD Intergovernmental Group of Experts on E-Commerce and the Digital Economy – First Session (Geneva)
9-20 Oct.	World Telecommunication Development Conference (Buenos Aires)
12 Oct.	CyFy 2017: The India Conference on Cyber Security and Internet Governance (New Delhi)
12-13 Oct.	G20 Finance Ministers and Central Bank Governors meeting (Washington)
19-22 Oct.	IEEE Global Humanitarian Technology Conference (San Jose)
28 Oct. – 3 Nov.	ICANN60 (Abu Dhabi)

Visit dig.watch/events for details

From the Geneva Internet Platform & DiploFoundation

Past

- 20 Sept. Digital Policies and Trends: Build-up to IGF (Geneva)
- 25 Sept. Launch of the Digital Commerce course
- 25 Sept. Governing the Future of the Internet (Washington)

Upcoming

- 26-28 Sept. Reporting from WTO Public Forum 2017
<https://dig.watch/wto-public-forum-2017>
- 27-28 Sept. Crisis Code: Humanitarian Protection in the Digital Age (San Francisco)
- 30 Sept. Issue 23 of *Geneva Digital Watch* newsletter <https://dig.watch/newsletter>
- 2 Oct. Briefing for Permanent Representatives in New York: Current Trends in Digital Policy & the Interplay between NY & Geneva (New York)
- 12 Oct. Geneva Digital Talks: What can Geneva offer in global digital governance?
- 31 Oct. GIP Briefing on Internet Governance <https://dig.watch/briefing-oct17>

Local hubs & regional perspectives

More: dig.watch/briefing-sept17