Regulate Net Neutrality: WHY?

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held @ isoc.ch General Assembly 4.4.2014

OFCOM Working Group

- Five Meetings
- TelCos, Switch, Konsumentenschutz, SRG, internet community
- Draft report presented
- Report will be amended

WiKi for Collaboration

A rather informal

Koalition netzneutralitaet.ch

is about to be built.

www.netzneutralitaet.ch/wiki

Basic position of isoc.ch

The internet is a

NEUTRAL INFRASTRUCTURE

and must be open in an interoperable way to all Content-Producers and Content-Consumers

Basic position of isoc.ch

Split Telcos into infrastructure and service provider (cf. Swissgrid) would be best, but is politically impossible.

It’s all the more important to guarantee network neutrality!

Definition

«No discrimination based on sender/receiver, content, service or application, hard- or software.»

Should cover technical as well as economical discrimination

Def. EU-Parlament (2014)0281

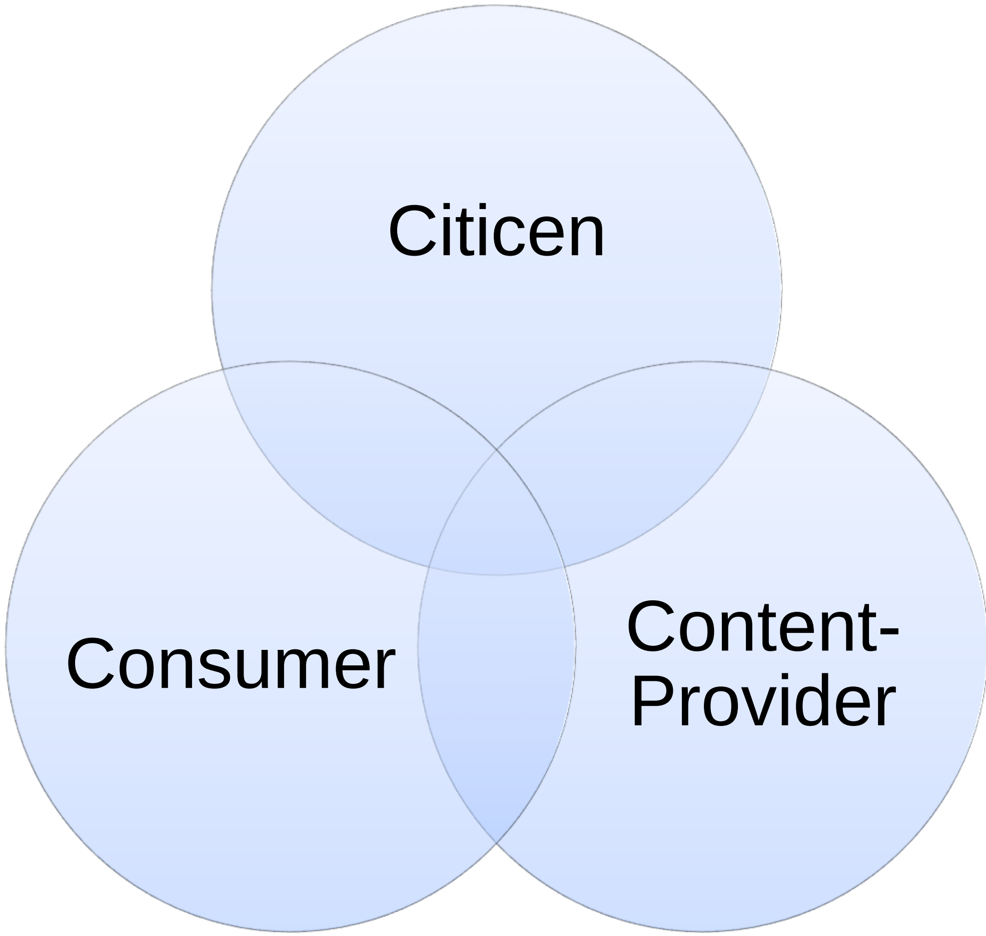
«*The principle of "net neutrality" in the open internet means that traffic should be treated equally, without discrimination, restriction or interference, independent of the sender, receiver, type, content, device, service or application.*»

BASICS

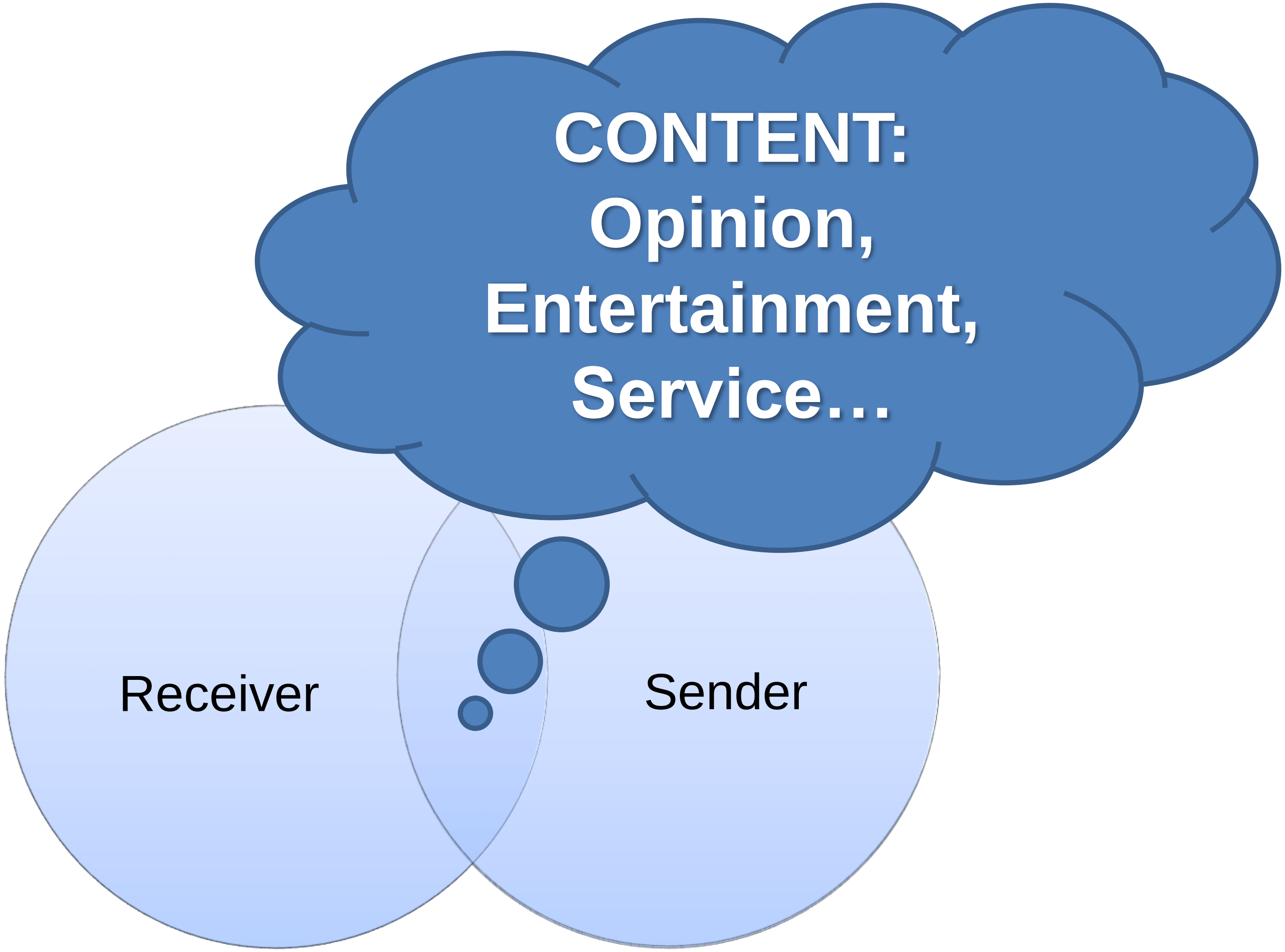
The Principles of the Internet

- End-to-End Principle: “Application-specific functions ought to reside in the end hosts of a network.” (Saltzer *et al,* 1981)
- **Decoupling** of **Applikations** and **Transport-Layer:** Internet replaces POTS as *THE* de-facto Network. Intelligence in the endpoints, Netwok is **stateless** and **neutral**
- Based on **open standards**

Three Dimensions



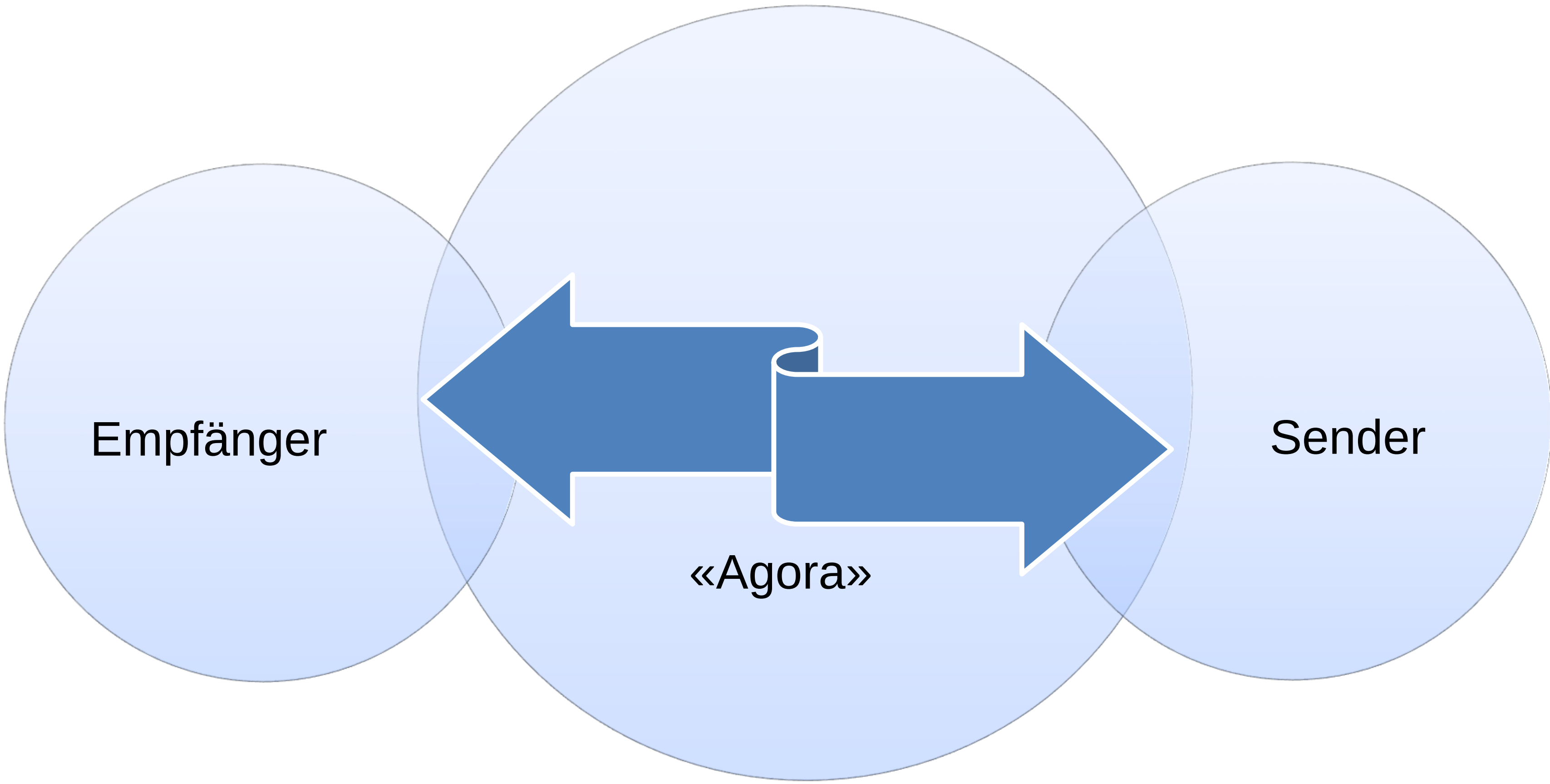
Two roles



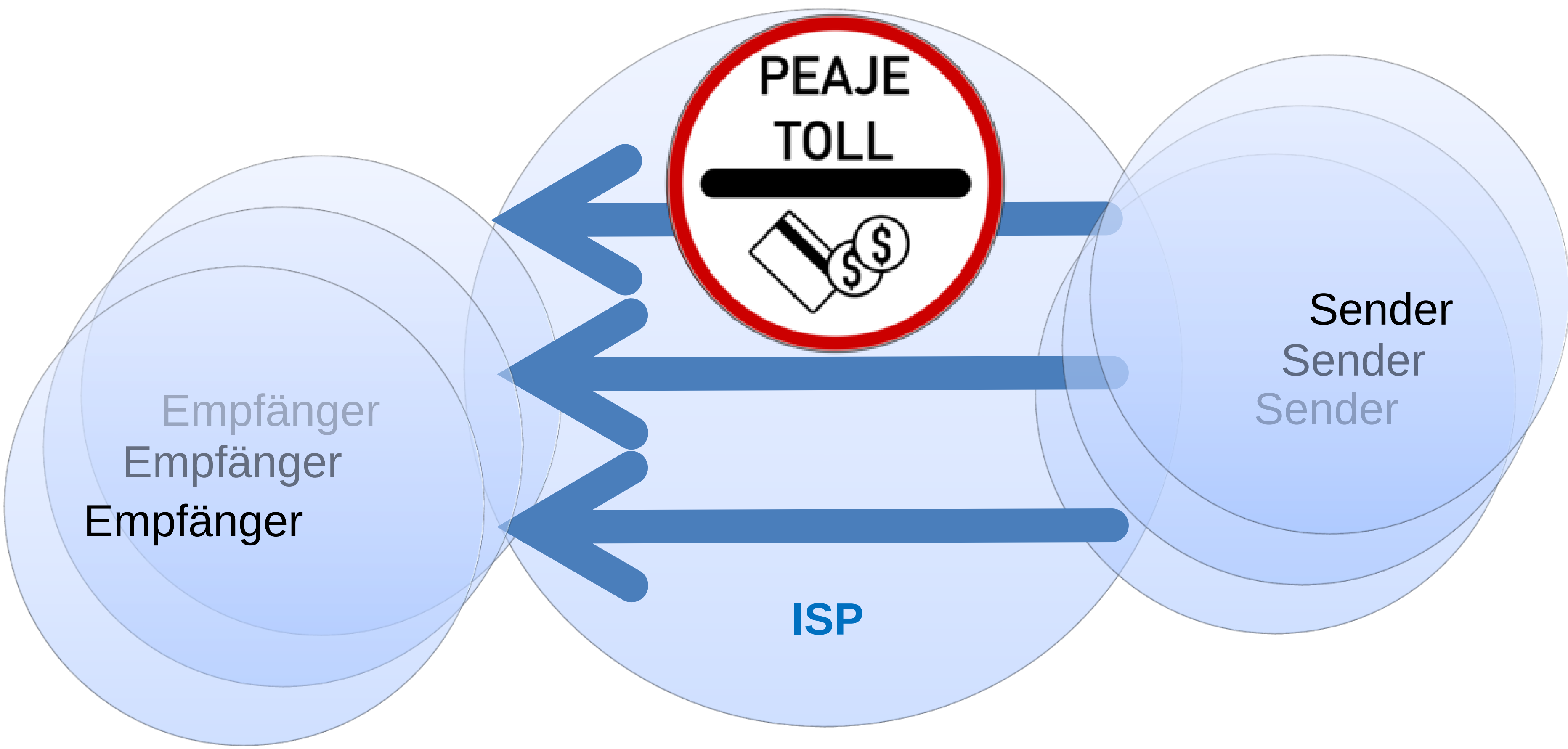
The Internet as an «Agora»

An **open lieu of debate** threatened by **Cencorship**.

open market of services vs. **Access Monopolies**.

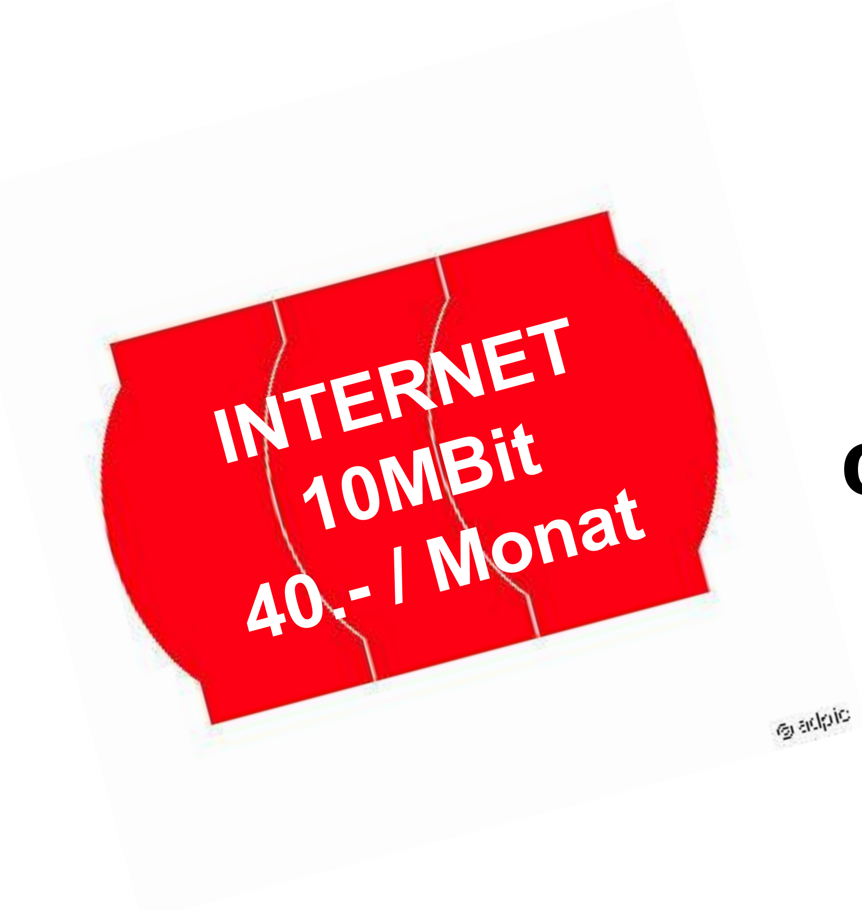


Net Neutrality



THE CONSUMER/SERVICE-PROVIDER PERSPECTIVE

CONSUMER Perspective



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Content Provider

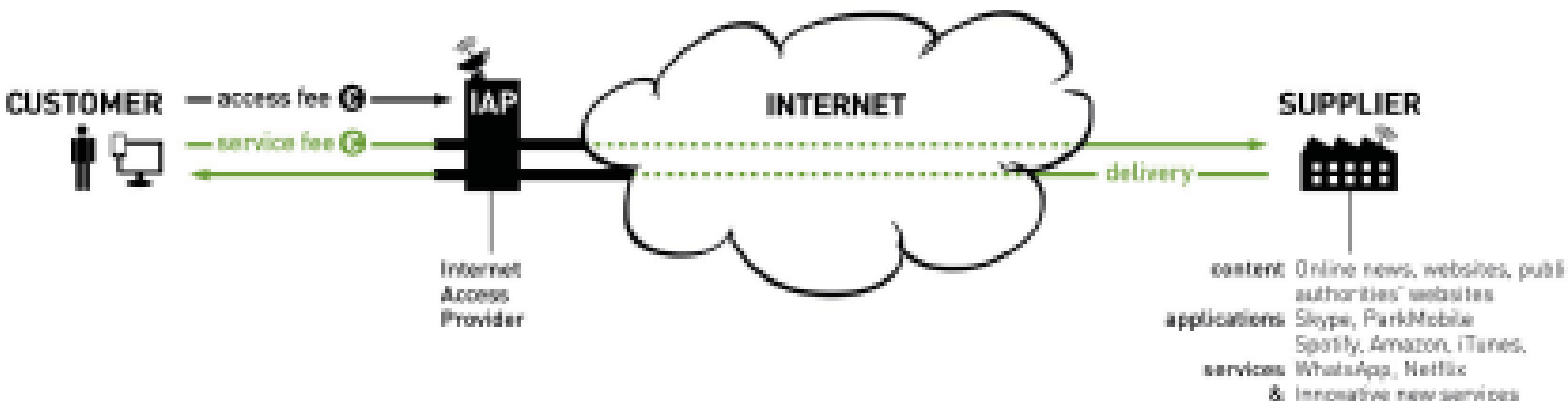

fig 1: Open neutral access model

Access Fee
Service Fee

Content Provider

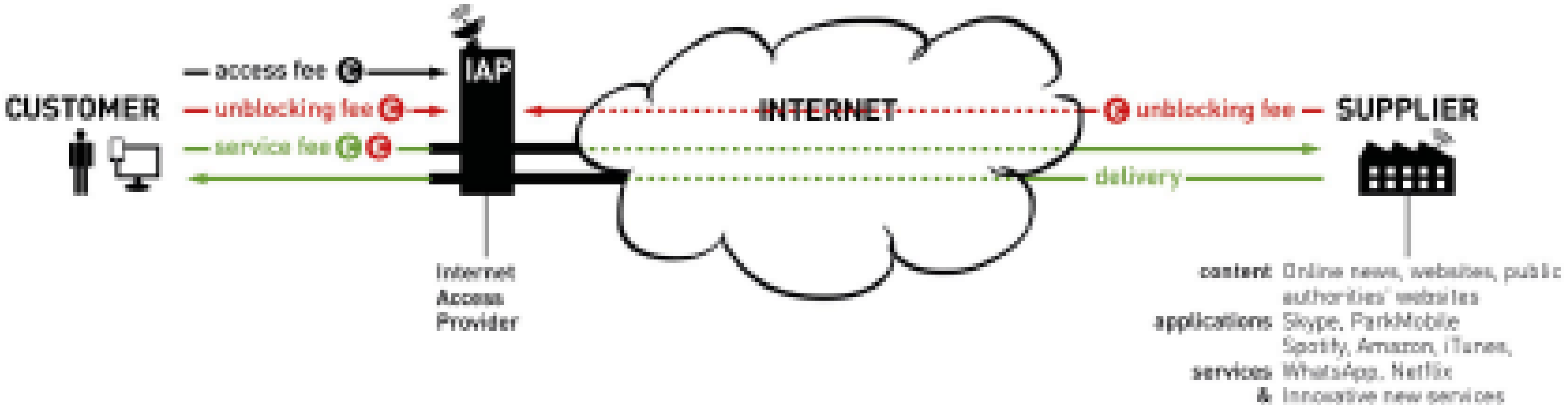

fig 2: Non-neutral access model

Access Fee
Service Fee
Unblocking Fee

Unblocking Fee

ARGUMENTE OF ISP

«Five Myths» of ISP – debunked

Myth 1: Demand is bad	• Demand is good since it reflects end-user value and supports revenue growth and network investment.
Myth 2: Costs are ballooning because of data growth	• Costs are not ballooning because of data growth. For fixed access they are low and declining on a unit cost basis, whilst for mobile access they are higher but nevertheless declining on a unit cost basis.
Myth 3: Application providers "cause" traffic	• End users cause traffic via requests for and generation of content.
Myth 4: Application providers free ride	• Application providers do not free ride but invest in infrastructure, purchase network services and have developed bandwidth efficient applications.
Myth 5: Charging application providers would promote broadband investment	• Any revenues raised would not necessarily be invested and would discourage applications innovation which would reduce demand for advanced network access.

Quelle: B. Williamson, D. Black, Th. Punton, 2011: The open internet – a platform for growth

NASTY QUESTIONS

- **Who pays for the Infrastructure?**
  The Customer! Infrastruktur-Wettbewerb macht den Zugang billiger. Er darf aber nicht quersubventioniert werden.

- **Is Networkmanagement still possible?**
  Yes, but it <u>must not be discriminating </u>and it must be <u>described transparently in public</u>

- **What are Specialised Services?**

  «specialised service» means an electronic communications service optimised for specific content, applications or services, or a combination thereof, provided over logically distinct capacity, relying on strict admission control, offering functionality requiring enhanced quality from end to end, and that is not marketed or usable as a substitute for internet access service;

Summary on the EU-Decision

As TelCo’s tried to best serve their own business interests by not opposing Net Neutrality in general but by lobbying a very soft language on special services (which would have allowed them to repackage practically everything as special service), **the debate that is really decisive for the outcome will be the one about how strictly limited special services must be.**

isoc.ch

- Open Standards
- Open Access
- We see the «Open Internet» as a basic infrastructur of the information society