Telecom Italia Group's Submission for *NETmundial*

(7 March 2014)

Abstract:

Telecom Italia Group is pleased to provide this submission on Global Internet Governance Principles and a Roadmap for the further evolution of the Internet governance ecosystem to the Global Multistakeholder Meeting on the Future of Internet Governance, to be held 23-24 April 2014 in San Paolo, Brazil

Introduction

Telecom Italia Group (hereafter TI) welcomes the opportunity to participate to the "Global Multi-stakeholder Meeting on the Future of Internet Governance "or *NETmundial.* We acknowledge the leading role that, since the WTPF of 2013, the government of Brazil is playing, in the Internet governance arena, by calling this meeting. We would like to contribute to this event through our participation to the discussion of Internet Governance Principles and of the evolution of the multi-stakeholder model for the future of Internet governance.

The meeting's agenda is focused on two issues:

1. Internet Governance Principles

2. Roadmap for the Further Evolution of the Internet Governance

Telecom Italia submits contributions on both issues.

Internet Governance Principles

Internet is today at the center of the economic activity and social life of enterprises and citizens. Every day it becomes more important and more pervasive thanks to the massive investment in infrastructure made by the telcos, the hundreds of thousands of applications and services made available by the internet ecosystem of companies and developers, the development of high speed mobile internet access, cloud computing and ubiquitous computing. We no longer need to go on the internet because we live in the Internet. Internet has been a remarkable success and Telecom Italia believes that this historical result has been to a large extent a consequence of the unregulated nature of this technology.

Contrary to the past, the economics and the technology of Internet call today for more variety and Internet differentiation. While this process has been present for quite some time, it is today more visible, for instance, in the multi-lingual diversification of Internet. Recently, the Internet Corporation for Assigned Names and Numbers (ICANN) announced that the first new generic Top-Level Domains (gTLDs) in Arabic, Cyrillic and Chinese from its new gT LD Program were delegated.

A more heterogeneous and diversified Internet might alarm many in the Internet community. Instead this process is quite desirable. Quite often we talk about the Internet as an ecosystem, but we forget that in any ecosystem a high degree of diversity is vital for the overall health and resilience of the system.

At the same time, TI believes that the Internet needs to be governed by a coherent set of principles shared by all stakeholders from various sector- business, government and civil society. These principles should be based on a broad and open debate characterized by a constitutional effort and should encompass an overarching framework of universal values shared by the internet community. The San Paolo meeting could be a step in this direction. There is already a significant amount of work done to develop Internet governance principles by different organizations and players. The OECD Council Recommendations on Principles for Internet Policymaking or the Brazilian Internet Steering Committee's (CGI.br) are some good examples.

Among these principles, TI particularly supports:

- Promoting safe, secure, open, reliable and interoperable Internet

- Strengthening consistency and effectiveness in privacy protection at a global level

- Promoting policies that stimulate sustainable investments and deployment of Internet networks

- Endorsing policies that increase transparency, openness , accountability and inclusiveness in the Internet Governance process

Possibly, one of the goals of San Paolo's meeting should be the recognition **that these principles should be shared and considered as common principles by all the stakeholders of the meeting**.

Roadmap for the Further Evolution of the Internet Governance

The technological and economic environment of Internet has dramatically changed since the mid-1990s, making Internet much more diverse and dynamic than in the past. According to the most recent literature[1] four major changes have forced the networks to evolve since then:

1) **Increase in the number and diversity of end users**: from a small population of scientists and researchers to a user base much larger, more diverse and less technologically sophisticated;

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[1] See on this Christopher Yoo (2012), "*The Dynamic Internet:How technologies, Users and Businesses Are Transforming the Network*", AEI .

2) **Increase in the diversity and intensity of applications**: from low intensity bandwidth applications such as email and web-browsing to videoconferencing, to online gaming which is much more bandwidth intensive;

3) **Increase in the variety of technologies**: while in the mid-90s access to the Internet was granted through dial-up modems, now access is guaranteed through a variety of technologies such as cable modems, digital subscriber lines (DSL), fiber to the home and wireless solutions. These new technologies have different characteristics in terms of bandwidth, reliability and mobility, bringing a substantial degree of heterogeneity in the Internet world compared to the uniformity of the wireline solutions of the mid-90s

4) **The emergence of more complex business relationships.** In the mid-90s, the topology of the Internet was characterized by a strict three-level hierarchy: backbones, regional Internet service providers and last mile access providers. Now the Internet, as a network of networks, is characterized by a set of much more diverse business relationships such as, for instance, private peering and content delivery networks.

These technological and economic changes have placed increasing pressures on the Internet and in, particular, are leading, among other characteristics, towards:

1) **changes in the optimal level of standardization** to match the greater demand for heterogeneity;
2) **the shift towards more formal governance** to manage the increase in the number and heterogeneity of end users;
3) **the migration of functions into the core of the network** for a better management of security and congestion;
4) **the growing complexity of internet pricing** to support the new business relations of today Internet.

These technological and economic changes over the past fifteen-plus years have made Internet a much more **dynamic and heterogynous environment** and are placing increasing pressures on the Internet to develop new architectural principles to cope with these new dynamics and to the Internet governance process to envisage new models able to better match governance issues with the right governance institutions.

The diffusion of cross layers architecture for the mobile Internet is a case in point that shows that when circumstances have changed sufficiently, the network architecture needs to change.

Protocol layering has always been at the heart of Internet and coherence with the layered stack has always characterized Internet architecture. Protocol layering has also find an ad hoc space into the discussion of Internet Policy when, it has been suggested that lower layers of the Internet should be subjected to regulation while upper layers should be exempted from it. The weakness of this approach has been later on shown by the regulatory intervention on some parts of the networks only such as the last mile but not the backbone or by the recent awareness that market power is also possible in the upper layers as the latest antitrust cases against Microsoft and Google have demonstrated.[2]

It is clear the need to diverge from the traditional protocol layering assumptions in order to face the challenges from a more dynamic and heterogynous Internet driven by mobile applications.

Against this backdrop, TI believes that it is necessary to examine the current status of the Internet governance, of the institutions currently involved in this process and assess **how the Internet governance should evolve** capitalizing on the strength of the past experiences and aiming at fostering an open and inclusive Internet.

Towards a multi-stakeholder model with variable geometry

TI recognizes that the multi-stakeholder model has been an important factor for the success of the Internet. However, TI believes that the multi-stakeholder model while worked efficiently in ad hoc technical organizations, it requires a completely different effort to be successful when it is applied to global policy making.[3] The open nature of the multi-stakeholder process does not guarantee by itself an effective participation of all stakeholders. Indeed, participation today has become the main principle of any form of Internet governance. This process, sometimes called "participatory evangelism", offers people opportunities to get involve but not to really count in the decision making process. Indeed "there is an important distinction between making your views known and making your views counts". Analogous considerations can be made regarding the transparency of the multi-stakeholder process. Quite often information overload characterizes meetings and fora of the multi-stakeholder process creating real difficulties in identifying really important issues. Furthermore, different risks of capture by different groups ("Internet evangelists" or

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[2] Today, to ensure reliability modern wireless broadband network increasingly deploy network-based reliability systems, such as Automatic Repeat request(ARQ), that shift functions traditionally performed by the transport layer into either the data-link layer or routers operating in the core, clearly diverging from the TCP/IP reference model. See on this : Christopher Yoo, "Protocol Layering and Internet Policy", University of Pennsylvania Law School Research Paper n.18, 2013

[3] See on this, Bertrand de la Chapelle (2011), Internet Policy Making, MIND . Furthermore, see IGP (2009)"ICANN, Inc: Accountability and participation in the governance of critical Internet Resources "

representatives from developed countries in the IGF or in the GAC within ICANN, or the private sector) have been suggested in the current process. Therefore, a stronger effort is required by all parties to improve and make more successful this process.

At the same time, TI believes that it is necessary to recognize that today new dynamics exist among the stakeholders of the Internet governance process. There are few significant examples of such a change. The more active role that governments want to play on internet governance issues is a recent trend that is here to stay. The powerful role multiple stakeholders can play in the internet governance arena; it suffice to mention the massive online boycott launched by Internet technologies companies and civil society as a response to the two proposed bills in the US, the SIPA and the PIPA.[4]

This new dynamic among stakeholders associated with an overall increase of Internet differentiation brought by the economic and technological changes of the Internet of the last 15 years, suggest that it is increasing difficult that one single governance regime could address the broad range of concerns associated with today's Internet.

Searching for a unitary governance framework could lead only towards an undesirable least common denominator. What is needed is to allow for a better match between governance issues and the best governance institutions available. Therefore, TI suggests that the current system of governance should allow for a stronger interplay among the different actors in the internet governance arena. Therefore, TI envisages the evolution of the current multi-stakeholder model towards a **multi-stakeholder model with variable geometry.**

This approach should be seen as an evolution from the current institutions. In the current multi-stakeholder model a distinction between the concepts of shared and equal responsibility, should be made. While all stakeholders need to participate in the multi stakeholder model on equal footing when the different governance issues and governance institutions are envisaged and discussed, then in the implementation of the governance process one stakeholder or a coalition of stakeholders (**variable geometry**) could take the lead in this process according to the nature of the governance issue at stake: standards (the private sector), Internet issues relevant to particular communities (civil society), human rights (government).

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[4] Stop Online Piracy Act" (SOPA) and the "Preventing Real Online Threats to Economic Creativity and Theft of Intellectual Property Act" (PROTECT IP Act or PIPA). See on this Laura De Nardis (2014) , "The Global War for Internet Governance", Yale University Press, pag 6. SOPA:Stop

The matching process could also be facilitated by the creation of an ad hoc committee that, based on a multi-stakeholder membership, could suggest the most suitable governance institution.[5]

Therefore, this process, based on the variable leading role of the different actors, should allow for a better match of each type of governance challenge with the best governance institution.

Elements of a roadmap from the San Paolo Meeting

TI recommends that the San Paolo's meeting makes concrete steps towards:

1) A roadmap for the revision and the reinforcement of the multi-stakeholder model according to the previously suggested **variable geometry approach.**
2) A clear timeline to globalize ICANN and IANA functions that safeguards the stability, security and resilience of the Internet.
3) A commitment to strengthen the role of the Global Internet Governance Forum according to:
    a. Mainstreaming the content and the proposals discussed at the Global Forum to the other Internet Governance institutions to enhance its impact on global Internet governance and policy.
    b. Making stronger the interactions between the Global IGF and the national and regional IGF to allow for a more inclusive process of participation and discussion.
    c. Designing mechanisms for a better funding of the Global IGF.

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[5] This idea has been mentioned at the IGF in Bali (2013) in workshop n.41