

INTERNET GOVERNANCE FORUM 2011

WORKSHOP #108 REPORT

1. Workshop Number: 108
2. Title: Mobile and Cloud Services for Development
3. Organizers and Panelists

Organizers:

ICC BASIS
Government of Kenya

Moderator:

Herbert Heitmann, Chair ICC's Commission on E-Business, IT and Telecoms (EBITT),
Executive Vice President, External Communications, Royal Dutch Shell

Panelists:

- 1) Mr Jeff Brueggeman, Vice President Public Policy, AT&T
- 2) Ms Pilar del Castillo, Member of the European Parliament
- 3) Mr Erik Hersman, Co-founder & Director of Operations & Strategy of Ushahidi
- 4) Ms Alice Munyua, Chair, Kenya Internet Governance Steering Committee
- 5) Ms Theresa Swinehart, Executive Director, Global Internet Policy, Verizon Communications

Lead discussants:

- 1) Dr Burt Kaliski, Chief Technology Officer; VeriSign
- 2) Mr Nasser Kettani, Chief Technology Officer, Middle East and Africa, Microsoft

Remote moderator:

Ms Heather Shaw, USCIB

This workshop was followed by sixty remote participants and a remote hub in Vanuatu (with three remote participants), New Zealand, India, Nigeria and one other remote country.

4. Discussion

Mr Heitmann, Chair of ICC's Commission on E-Business, IT and Telecoms (EBITT), welcomed all participants, introduced the panelists and explained the focus of the workshop. He began the workshop discussion by asking the Government of Kenya about the expectation of possible policy frameworks for the future of mobile and cloud services. Ms Munyua, Chair of the Kenya

Internet Governance Steering Committee, welcomed cloud and mobile services as first communication tools; proven by 26 million of subscribers to mobile networks, and by the increase in numbers, passing from 3 million Internet users in Kenya a few years ago to 11 million today:

- Ms Munyua emphasized that no new set of policy frameworks were needed as Kenya already had a regulatory framework. The question should rather be how existing policy frameworks linked to access, privacy and ownership of cloud can be more applicable.
- Ms Pilar del Castillo, Member of the European Parliament, added that no new frameworks were expected at the EU level since policy frameworks around data protection and a competitive cloud computing market had been renewed a few years ago. Furthermore, she found that regulation would be a failure as it would stifle innovation. She went on to expressing concerns about the lack of common standards, which hindered competition on the market and portability.

The subsequent discussion focused on the ideal environment for telecommunication providers to do business outside of their national borders:

- Ms Swinehart, Verizon, underlined the need for a global company to provide services to customers where consumers wished to be served. The Internet, she stressed, doesn't recognize national borders. She also called on policy framework that would allow investment to occur. As proved by the World Economic Report 2009, every 10 percent increase in Internet services instills a growth of GDP of 1.3 percent.

Moderator Heitmann subsequently asked the panel to provide specific examples of data privacy challenges:

- Mr Brueggeman, AT&T, pointed to cross-borders challenges and the need to establish guidelines for data privacy, mutual recognition and accountability mechanisms for data transfers.
- Ms Swinehart added specific challenges within the context of cloud services; such as consumers' demand for broader bandwidth and a wider range of services, eg in e-education and health services.

In the following discussion on opportunities offered by broadband services, Mr Hersman underlined success stories; such as:

- The rapid uptake of cloud services in Africa and the creation of simpler data transfer devices in comparison to 3 years ago. He also emphasized the need for providing cloud computing across borders of Africa's geographically fragmented infrastructure of 54 countries, pointing to a possibility of creating a centralized hub. International cloud

services were used in the beginning for African citizens' choice of using cloud for news, entertainment and e-governments. Ushahidi is helping to support 5,000 cloud services system developers in Kenya, which rely on access and payment systems for their services. Ushahidi summarised that East Africa's competitive advantages lay in mobile services, eg mobile entertainment. In fact, Mr Hersman's i-hub in East Africa is in partnership with global business that brings business expertise to the future of the young IT literates at the i-hub.

- AT&T's noted the scalability of mobile and cloud solutions. Low bandwidth broadband mobile services can be used by remote health care providers for monitoring and text message services that deliver doctors' information to patients. On the other hand, higher-bandwidth services can be used for real-time consultations and for small businesses operating by mobile phones when out of the office.

Moderator Heitmann then opened the floor for comments and introduced remote Ms Heather Shaw, USCIB. Mr Kaliski, VeriSign, wondered how the global community could support developing countries in addressing local challenges:

- Ms Munya pointed to the issue of interoperability and the ownership of mobile cloud. The Government believed that spectrum harmonization, the creation of a conducive economic environment, architecture and infrastructure of cloud and access to mobile internet needed to be ensured.
- Ms Del Castillo underlined that no common position existed at the EU level. She informed the audience that the European Commission had been involved in consultations with the industry, and believed that regulation should be avoided to the maximum. Verizon wondered how to get the curriculum of higher education digitalized, and argued that while advanced digital literacy had to be developed the content factor had not to be overlooked.
- AT&T highlighted that the US government was trying to set a model of "trusted cloud", whereby data are not required to be stored in US. It was argued that a lot could be done in an effort to open the market to global companies to distribute information around the world - raising the need for local storing data. Infrastructure would then follow.

To this effect, moderator Heitmann addressed the Government of Kenya with the question whether African governments jointly engaged in these topics:

- The Kenyan Government focuses on net neutrality, national security and privacy, and the harmonisation of spectrum in East Africa; a statement welcomed by African civil society.]
- The EU added that its single market challenge was the market's fragmentation. The EU is indeed confronted with 27 different laws on consumer rights protection; yet the applicable law is the national one.

Business commented from the floor that pressure needed to be put on national governments for wider broadband spectrum in the future.

- Despite the importance of data security, Microsoft (via lead discussant Mr Kettani) added investment in innovation as a driver of growth opportunities – eg new companies, jobs, apps – outweighs the question of cloud ownership.
- Civil society stressed that the enabling environment of cloud services had to be made friendlier and less costly.
- Ushahidi emphasized the need for cloud services as a provider of local content and strong local infrastructure.
- The Kenyan government agreed, adding it fostered content development and that it didn't tax on IT equipment in the early stages of broadband development. Yet, it recognized the government might need to regulate costs today.
- Civil society warned that governments should, however, not be involved in marking up the Internet language to ensure mobile competition.

Ms Del Castillo stressed the importance of broadband adoption and market competitiveness and reiterated the concerns about the lack of common standards, thus hindering interoperability. Mr Bruggemann echoed the paramount importance of data portability and of interoperability.

The final discussion revisited the question of cloud ownership referencing the Arab Spring 2011. Business commented that at present no centralized authority overseeing governments' decisions existed – a situation which showed the clear the need to push for international norms in the future.