

Net Neutrality in The Netherlands

Net Neutrality and the Quest for Sustainable Internet
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Motivation for the NN-legislation

- “End users should be able to decide what content they want to send and receive, and which services, applications, hardware and software they want to use for such purposes.”
- “The European Framework cannot effectively ensure this, because it allows providers to restrict access to websites or services.”
- “The amendment aims to maximize choice and freedom of expression on the Internet for end users.”

Contents of the NN-legislation

- Providers of internet access services shall not block or delay applications on the internet, unless the measures by which applications are blocked or delayed are necessary:
 - a) to reduce the effects of congestion, where equal forms of traffic are treated equally,
 - b) for the integrity and safety of the network
 - c) to reduce the transmission of unsolicited communications (such as Spam), and
 - d) to execute a legal requirement or a court order.
- Providers of internet access services shall not make the price of the rates for internet access services dependent on the services and applications which are offered or used via these services.
- In force from 1. January 2013

No blocking or delaying rule

- Rules only apply to internet access,
- “Managed services” (managed voip, IP-television) not delivered over the internet → out of scope.
- Offering internet access where access to particular sites or application is restricted not allowed → “all or nothing”
- Offering a separate service over the internet that only provides access to one particular application, possibly at differentiated price, is allowed (e.g. voip-only subscriptions).
- Blocking or delaying to reduce the effects of congestion only allowed when equal forms of traffic are treated equally.

Tariff-differentiation rule

- Pricing of internet access service shall not be dependent on the usage of particular applications or services.
- Pricing policy can not be used as means to restrict or hinder access to specific applications or services.
- Other forms of price differentiation of internet access (e.g. based on other service attributes such as capacity, usage, overbooking, SLA etc.) are not covered by this rule.

Potential Impact on internet access market

- Blocking or charging access to specific (types of) applications (e.g. voip) no longer possible.
- End users will have access to all applications and services, provided that they have sufficient bandwidth.
- Prevention of price discrimination (for instance between voip users, gamers, video or music users) may drive up average price level for all users.
- Increased need for operators to rebalance pricing of voice (↓) and data (↑) by e.g. introducing data caps.

Potential Impact on access for content and application providers

- Regulation ensures open access for over-the-top services guaranteed at best-effort quality.
- Possibilities for providing prioritized transmission services dependent on whether prioritisation of certain traffic leads to delaying other traffic
- Charging content and application providers by telecom providers is not forbidden but: threat of delaying or blocking specific traffic is no longer credible.
- Impact of Dutch “Alleingang” on content and application market (in NL and globally)?

Concluding remarks

- Approach to net neutrality in Europe and The Netherlands should be problem based. Intervention should be proportionate.
- BEREC and EC approach based on transparency, consumer choice, competition and, if necessary, QoS regulation is consistent with this approach and strongly supported by OPTA.
- Relatively strict NL regime based on presumption that EU approach is not sufficient to ensure NN, which is not (yet) proven.
- Net neutrality ensured, but is consumer welfare/choice really maximised in the short and in the long run?
- Potential effect: reduced variety of quality/price propositions by providers.

Questions?

Thank you for your attention!

