CCAOI Newsletter	May, 2021

Highlights of May

This month, global chip shortage, ransomware attacks, tech politics, tension between Big tech and governments continued to make headlines.

Chip Shortage and race for Chip Supremacy

The global shortage of chips or semiconductors, that is predicted to run into 2022, is severely affecting automakers, consumer electronics including gaming. Increase in the demand of chips, the geopolitics between the US and China; the highly concentrated chip producers, natural disasters are few of the reasons cited for this shortage.

While US is the leader in the architecture and designing of the chip components, most of the semiconductor production is currently concentrated in Taiwan, South Korea and China. Most chipmakers are working to boost operations to meet the surge in chip demand, this includes Taiwan Semiconductor Manufacturing Co. (TSMC) which is the largest contract chipmaker, Samsung, etc. 153 South Korean companies including Samsung plans to invest a combined 510 trillion won by 2030. Dutch based chipmaking equipment supplier BE Semiconductor (BESI) has announced plans to boost its operations in the US and Taiwan. TSMC has further stated that it expects to be able to catch up with the "minimum requirement" of customer demand for auto chips by the end of June.

Looking at the chip shortage and the complex supply chain, nations are attempting to encourage and offer opportunities for tech partnership to gain supremacy.

Post the trade sanctions by the US on China, the latter is investing heavily to enhance its domestic chip manufacturing capabilities. Chinas 14th five-year plan intends to support local semiconductor industry. The Semiconductor Manufacturing International Corp (SMIC) which is part funded by the state, is playing a key role. The company plans to invest $2.35 billion with the government of Shenzhen to build a new fabrication plant capable of producing 40,000 wafers per month.

Even within the US there is a huge pressure to strengthen its domestic chip industry. The FCC is studying the impact the global shortage of semiconductors on the U.S. communications sector; the world's biggest chip buyers that includes Apple, Microsoft, Google, Intel have created a lobbying group Semiconductors in America Coalition and the industry has called on the president to help increase the country's capacity to produce chips. The Biden government has proposed to establish a US$50 billion fund for chip research and manufacturing.

South Korea which is the second largest chip producing country has announced for bigger tax breaks plus around $883 million in loans for its local chip industry.

EU has set a goal to produce one-fifth of advanced chips globally by 2030. For building a semiconductor factory in Europe.

The Indian Government is reportedly planning to offer around $1 billion in cash to every company that sets up a chip manufacturing unit in India. However, will mere incentive be enough to lure companies to set up chip making units in India, is a big question.

Looking at the current situation, one can expect more development related to nations aiming to become self-reliant in the chip industry in the days to come.

Ransomware attacks continue

Colonial Pipeline in the US was forced to close operations, after a ransomware attack. The company paid $ 5 million in cryptocurrency to get the services restored. DarkSide the hacker group which was behind the attack, reportedly received $90 million in bitcoin before shutting down.

Ireland's health services had to shut its IT systems after being hit by a ransomware attack. Due to the attack the vaccination registration portal had to be taken offline, the COVID-19 testing was disrupted and hospitals were forced to cancel appointments and shut down some services. Conti ransomware group has reportedly asked for $20million to restore services, which the Irish government says they have refused to pay. While Conti has handed over the software tool for free which the authorities are testing, it has threatened to publish or sell data it has stolen unless a ransom is paid.

FBI has linked Conti to 16 attacks aimed to disrupt healthcare and first responder networks such as emergency services, municipals, 9-11 services in the US within the last one year.

While countries are gearing up to protect their infrastructure, it is likely we will witness more such activities in future.

5G trials: Tech politics between India and China continue

The tension between India and China continues and this time it is related to the 5G Trials. This month, the Department of Telecom (DOT) has approved applications of 13 Telecom Service Providers (TSPs) that include Bharti Airtel Ltd, Reliance Jio Infocomm Ltd, Vodafone Idea Ltd and MTNL for conducting 5G trials. These TSP have tied up with original equipment manufacturers and technology providers, which are Ericsson, Nokia, Samsung. However, applications of Chinese players such as Huawei and ZTE have not been approved. Expressing concern over the decision China has termed this as unfair, discriminatory which harms the legitimate rights and interests of Chinese vendors. On the other hand US lawmakers have welcomed India's decision to not allow Chinese companies to conduct 5G trials

IT Rules 2021: Tension brews between Big Tech and Indian Government

As the three month deadline came to an end on 26 May for Significant Social media intermediaries (SSMI) to comply with the new IT Rules 2021, India witnessed a flurry of developments.

A day prior to the deadline, **WhatsApp and Facebook have filed cases in the Delhi High Court** challenging the New IT Rules 2021 that requires end-to-end encrypted messaging services to trace the first originator of the information upon government or court order. WhatsApp in the petition has stated that breaking end-to-end encryption fundamentally undermines people's right to privacy. In a blog post it has explained why it opposes traceability. The government in response released a statement stating that it respects the right to privacy and does not have any intention to violate it when WhatsApp is required to disclose the origin of a particular message, however right to privacy is not absolute. It may be mentioned that there have been concerns expressed about traceability requirement in the IT Rules by many people.

The government sent a notice on 26 May, to Significant Social Media Intermediaries such as Facebook, Twitter, etc. to provide details of their **compliance to the IT Rules2021** preferably by that day. The requirements include SSMIs to appoint a local compliance officer, nodal contact person, set up a grievance response mechanism and take down content within 36 hours of a legal order, etc. Later the government announced that SSMI such as Google, Facebook & WhatsApp, LinkedIn, Telegram, ShareChat, Koo have complied with IT rules with the exception of Twitter. Twitter has asked for three more months to comply with the rules.

The **tension between Twitter and the Government of India** has escalated further this month when the Ministry of Electronics and IT (MeitY), asked Twitter to remove 'manipulated media' tag from tweets that were related to a toolkit. In a letter to Twitter, MeitY cited that as the matter is under investigation, the move by Twitter appeared to be "prejudged", "prejudiced", and "arbitrary". Twitter on its part has stated that it "may label Tweets that include media (videos, audio, and images) that have been deceptively altered or fabricated.". Further the company has expressed concerns over the "intimidation tactics" adopted by Delhi Police after a raid at its Delhi office and raised concern over "potential threat to freedom of expression" in India. Twitter has also requested the Centre to provide 3 months extension to implement the new IT Rules 2021, said it has censored content after receiving a notice of non-compliance from the Indian government. The government reacted, by stating that Twitter was defaming India and defying its laws. Further, responding to a case filed against Twitter, the Delhi High Court stated that Twitter will have to comply with the new IT Rules 2021.

Indian Vaccination drive exposes the digital divide

This month, to tackle the COVID-19 crisis, the Indian government has initiated an aggressive vaccination drive to vaccinate all citizens from the age of 18 years and above. As the process relies on people to register in an online portal, concerns are being raised that it may result in people being excluded, especially since over 65% people are yet to be connected to the Internet, number of smartphones are limited, and many people are not digitally savvy in the country. The Supreme Court had also flagged this concern. The authorities have stated that vaccination of such large population cannot be managed without a technology backbone. As an alternative critics have suggested that as the vaccination drive is exposing India's digital divide, adoption of an alternative offline vaccination mode traditionally practiced should also be encouraged.

Issue based updates:

Cyber security
Cybersecurity continues to make headlines. Just after days the Colonial Pipeline cyber attack, the US President Joe Biden signed an Executive Order on improving the nation's cybersecurity by widening the information-sharing scope between companies and the federal government, recommends the establishment of cybersecurity standards for all software sold to the US federal government, sets up rules for supply chain security, establish a Cyber Safety Review Board, and implement measures to improve detection of cybersecurity vulnerabilities and incidents on US government networks.

During the Final Substantive Session of the sixth UN GGE, the UN GGE 2019/2021 adopted a consensus report that 'builds upon the previous GGEs, harmonizes with the Open-ended Group Report, and adds a new understanding on issues related to ICTs in the context of international security.' This marks the conclusion of the work of the GGE, which was the sixth GGE established since 2004.

In terms of Cyberattacks, this month, in Belgium, more than 200 organisations, government IT network including the parliament were affected by a distributed denial of service (DDoS) cyberattack on Belnet, the government-funded internet service provider (ISP). 1.7 million customers' data of Japanese dating app operator Net Marketing Co. may have been leaked.

In India, Air India reported a data breach where the personal details and information of 4.5 million passengers between August 2011 to February 2021 was compromised due to a cyberattack on SITA PSS. Data of around 180 million users who ordered food from Dominos India was leaked online and available for sale.

Anti-Trust

Big Tech continue to be investigated across nations. Amazon is being sued in the US for anti-competitive pricing practices and misusing its monopoly power to prevent third-party sellers from offering their products at cheaper prices elsewhere, including on the sellers' own websites. Germany has launched two investigations into Google's practices that include market dominance and data processing practices. Based on initial findings, EU regulators have accused Apple of distorting competition in the music streaming market, that could result in a heavy fine and changes in Apple's business practices.

In terms of fine, the Italian Competition Authority has fined Google €100 million for abusing its dominant position and not allowing Enel X Italia's app JuicePass to work on Android Auto.

Privacy and Data Protection

Controversy surrounding the new **WhatsApp new privacy policy** continues. Amid regulatory scrutiny in some countries (Brazil, Turkey, Argentina) and calls for revising the rules (South Africa, India), the new privacy update of WhatsApp came into effect is some countries on 15 May. In India the government has called WhatsApp to withdraw the new privacy update citing that the policy is unfair and discriminatory towards India users, violated Indian laws. The company, responding to a petition in the Delhi High Court that challenged the privacy policy, clarified that it will not delete or deactivate accounts of people who do not accept its privacy policy.

Further, the European Court of Human Rights (ECHR) ruled that the UK government's bulk interception of communications power's violates the rights to privacy and freedom of expression and the European Convention of Human Rights. In the EU, Facebook lost a legal battle with Irish Data Protection Authority over halting EU-US data transfers ruling. China removed 90 apps to check 'irregular collection of personal information. Rwanda adopted new data protection and privacy legislation. TikTok removed more than 500,000 underage accounts in Italy following an intervention by the Italian Data Protection Authority.

Content Policy

Florida has passed a new law that prohibits social media platforms from suspending an count for more than 14 days, failing which they will face fines up to US$250,000 per day for violations. Further individuals, can also sue platforms for issues such as lack of transparency about the platform's terms of services, etc. This law will come into effect from July. Platforms have filed a federal lawsuit claiming that this new law violates their right to freedom of speech.

Disinformation and Misinformation

In terms of disinformation, to step up efforts to counter disinformation, the European Commission has published new guidelines; Facebook's Threat Report for 2017-2020 reports Russia and Iran to be biggest source of disinformation on its platform.

In India, to fight Covid-related misinformation, Facebook is rolling out a new campaign.

Digital Taxation

This month, the European Commission lost its case against Amazon subsidiary in Luxembourg, where the EU executive body had accused of providing special taxation treatment to Amazon.

Additionally, the European Commission adopted a fresh plan for corporate tax framework, called the [Business in Europe: Framework for Income Taxation bill (BEFIT)](#) which is planned to be presented in 2023.

Cryptocurrency

This month, the price of bitcoin tumbled significantly after [comments from Elon Musk](#) that Tesla would no longer be accepting bitcoin for car purchases. The cryptomarket tumbled further after the [Biden administration proposed that cryptocurrency transfers](#) over $10,000 be reported to the Internal Revenue Service.

In China, the State Council's Financial Stability and Development Committee [announced](#) that the government will crack down on bitcoin mining.

In India Crypto-exchange [Zebpay launched a lending platform](#), which would enable users to earn interest on their crypto-holdings; while Paytm announced [stopping to service crypto-currency exchanges](#) through its payment gateway channels.

Facebook's diem formerly known as Libra [announced](#) to shift focus to United States with [plans to launch](#) a U.S. dollar stablecoin.

Other updates:

- The European Parliament and Council has [approved the COVID-19 digital passport](#), which will be called the EU Digital COVID Certificate.
- Food delivery apps operating in [Spain have been given three months](#) to classify their delivery riders as employees
- Uganda has introduced a [12% tax on internet data](#), resulting in hiking prices for online access, where consumers are already paying some of the world's highest internet costs.
- OECD [has launched a public consultation on a Framework for Classifying AI Systems](#), which is open till 30 June.
- The IETF recognised and published the QUIC transport protocol as an [internet standard](#).

Other updates from India

Further this month, India and EU [agreed](#) to advance the implementation of the actions set out in the EU-India Roadmap 2025 and jointly work to boost ties in digital, energy, transport and people-to-people programmes.

The Reserve Bank of India (RBI) extended the deadline for compliance with its common framework on reversing failed digital payment transactions from December last year to September 30, 2021.

RBI stated that it wants [all licensed prepaid payment instruments (PPIs), or mobile wallets to be interoperable](#) from fiscal 2023.

According to [Facebook's latest transparency report](#), between July and December 2020, the [company received](#) 62,754 user account data requests of which about 2435 were emergency disclosure requests from the Indian government.

ICANN Updates

In the month of May, the [ICANN 4th DNS Symposium (IDS 2021)](#) was organised virtually from 25-27 May; ICANN Board [adopted](#) the FY22-26 Operating and Financial Plan and the FY22 Operating Plan and Budget; ICANN published the [U.S. Tax Returns](#) for Fiscal Year Ending 30 June 2020, the [updated](#) domain name

marketplace indicators, the [ICANN71 Prep Week schedule](#) and the [ICANN unaudited financial](#) and PTI published the [PTI unaudited financial](#) results of the third quarter of fiscal year 2021; the annual Service Organization Control (SOC) audit [confirmed](#) that ICANN org has the appropriate controls in place for IANA functions; [received](#) the [Final Declaration](#) of the Independent Review Process (IRP) regarding .WEB; [issued a request for proposal](#) (RFP) to identify a contractor qualified to conduct research on Domain Name System Security Extensions (DNSSEC) deployment across the Internet; organised a [webinar](#) on the Cross-Community Working Group on Enhancing ICANN Accountability, Work Stream 2 (WS2) [Final Report](#); invited comments on the: Generic Names Supporting Organization (GNSO)'s New Generic Top-Level Domain (gTLD) Subsequent Procedures Final Outputs for ICANN Board Consideration by 1 June; for the [fifth version of the Maximal Starting Repertoire (MSR-5)](#) by 8 June and [Draft engagement plan for the North America region](#) by 2 July.

Further ICANN announced [call for expressions of interest](#) for the position of ICANN 2022 NomCom Chair and Chair-Elect till 23 June; [extended](#) the [NextGen@ICANN application round for ICANN72](#) till 14 June.

From the Indian perspective, to resolve the issues faced by domain name registrants of the De-accredited Net 4 India Limited (IANA 1007) (Net 4 India), ICANN has [selected](#) PDR Ltd. d/b/a PublicDomainRegistry.com (IANA 303) (PDR) to support and [manage the registered users](#).

ISOC Updates

This month Internet Society released the [2020 Impact report](#) that highlights how during the pandemic the Internet was our lifeline, the stories from across the globe how the Internet helped to empower people and reiterates the urgent need to close the digital divide.

The Internet Society President and Chief Executive Officer Andrew Sullivan [shared the 2022 priorities](#) basis which community members were asked to participate in a [survey](#) on what they think should be the 2022 priorities.

APNIC Updates

In the month of May, APNIC [supported and participated](#) in the [BKNIX Peering Forum 2021](#) and [ThaiNOG Day](#), held online from 13 to 14 May; [participated](#) in [RIPE 82](#), participated in [DNS Operations, Analysis, and Research Centre (DNS-OARC)](#) convened OARC-35; held online from 17 to 21 May; sought [expressions of interest for Online Fellowship Mentors](#).The APNIC 52 Program Committee (PC) is now [seeking presentations and tutorials](#), particularly content that would suit technical sessions, for [APNIC 52](#), which will be held online from 13 to 16 September 2021. The first round of acceptance is 18 June, while the final deadline for submission is 16 July.

The Address Supporting Organization Address Council (ASO AC) is seeking nominations for candidates from the Internet Numbers Community for the position of ICANN NomCom 2022 delegate of the ASO. Nominations should be sent to: secretariat [at] aso [dot] icann [dot] org by 27 June 2020.

For more updates on APNIC read the [APNIC Blog](#).

Upcoming webinars:

- The Routing Security SIG standalone online forum will be organized on 10 June at 03:00 PM (UTC +8). To participate please register by 9 June using this [link](#).
- The Asia Pacific Next Generation (APNG) will organize the first quarterly webinar for 2021 "Trust and Security on the Internet" on 19 June at 12:00 PM (UTC +8). To participate please register by18 June using this [link](#).

TRAI Updates

This month TRAI released the [Achievements in Digital Communications 2014-2020](#) and the [telecom subscription data](#) as on end of February, 2021 that indicates that the total telephone subscribers increased by 0.71% (from 1,179.49 million in Jan-21 to 1,187.90 in Feb-21) and l broadband subscriber grew by 0.99% (from 757.61 million in Jan-21 to 765.09 million in Feb-21)

Comments are invited on the consultation paper on [Validity period of Tariff Offers](#) by 11 May and counter comments by 25 May. The regulator is inviting comments on the Supplementary consultation paper on [Roadmap to Promote Broadband Connectivity and Enhanced Broadband Speed](#) by [3 July and counter comments by 10 July](#). This consultation comes, after [concerns were raised](#) by the Department of Telecommunications (DoT) on March 12 around likelihood of misuse of the exemption by telecom service providers.

Other Updates

Articles & Reports:
- OECD has released a report [Artificial intelligence companies, goods and services: A trademark based analysis.](#)
- Check Point Research (CPR) reported a [45% increase in cyberattacks on healthcare organisations](#) globally between November and December 20202. Further CPR while examining 23 Android applications [found](#) that mobile app developers potentially exposed personal data of over 100 million users through a variety of misconfigurations of third-party cloud services.
- NITI Aayog and Mastercard have published a report titled '[Connected Commerce: Creating a Roadmap for a Digitally Inclusive Bharat](#)' that looks at the challenges to promote digital financial inclusion in India and shares recommendations to provide digital services to all citizens. .
- ITU has [published](#) the report of the 7th ITU Economic Experts Roundtable that was focused on exploring the COVID-19 crisis, especially from the telecom industry perspective.
- GSMA has [released](#) the annual [2021 State of the Industry Report on Mobile Money](#) report that focuses on the supply-side data and insights from the mobile money industry and the major industry trends in 2020.
- The U.S. National Institute of Standards and Technology (NIST) has [published](#) a white paper on confidence mechanisms for internet of things (IoT) devices.
- NIST published the final guide [Securing Small-Business and Home Internet of Things (IoT) Devices: Mitigating Network-Based Attacks Using Manufacturer Usage Description (MUD)](#).

Events:
- The [UN Economic and Social Council](#) (ECOSOC) [held](#) a two-day virtual science, technology and innovation ([STI](#)) forum on 3and 4 May to explore the full potential of science and technology for the benefit of all people. For more details visit [this link](#).
- CUTS organised a panel discussion "Discussing the Information Technology (Intermediary Guidelines) Rules, 2021 from the Lens of Consumer Welfare & EoDB" on 6 May.
- The [UN Cybercrime Ad Hoc Committee](#) conducted the first meeting of the organizational session on 10-12 May 2021.
- [World Summit on the Information Society (WSIS) Forum 2021](#) final week was held online from 17-21 May.
- [WEF Annual meeting](#) was held in Lucerne-Bürgenstock, Switzerland between 18-21 May. For session updates [view this link](#).

Upcoming Events & Opportunities

Upcoming Events

- [RightsCon](#) will be organised from 7-11 June.
- [5th Dvara Research Conference](#) (virtual) will be held from 7-11 June, on the theme of Household Finance.
- [ICANN71 will be held as a Virtual Policy Forum](#) from 14-17 June.
- SANOG-37 will be hosted by LKNOG, SriLanka between 12 -19 July 2021. SANOG-37 will be a hybrid event with a local physical event (based on the pandemic situation) with online participation from the other countries.
- [IETF 111](#) will be organised online from 26- 30 July.
- [APNIC 52](#), which will be held online from 13 to 16 September.
- [APrIGF2021](#) will be a hybrid conference held between 27-30 September.
- [IGF2021](#) will be hosted by the Government of Poland at the International Congress Center in Katowice from 6-10 December.

Opportunities

- The BPF on Gender & Digital Rights invites you to fill in a short survey, to help collect background information, identify specialists and relevant resources on the topic of gendered disinformation. [Survey questionnaire](#)
- AprIGF2021 has announced a call for proposal open till 22 June. Proposals are invited for the multidisciplinary sessions with fresh topics and emerging issues under the 3 thematic tracks: Inclusion, Sustainability & Trust from the community. For more details visit: https://www.aprigf.asia/news/2021/call-for-2021-session-proposals.html
- Applications are invited for the [Internet Society's IGF Youth Ambassador program](#) till 23 June.
- Applications are now open for the 2021 [Information Society Innovation Fund](#) (ISIF Asia) Grants and Awards Program under three themes: Inclusion, Infrastructure and Knowledge. Last date to apply is 19 July.

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