



Brexit and peering in London

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28/05/19



This is not a presentation
about the politics of Brexit

A change in the seat of government



1

What will Brexit change for telecoms & Internet?

Legal consequences in UK

- The UK will have domestic control of telecoms regulation
- In preparation for Brexit, the UK transferred all existing EU law into UK law. So nationally, the same laws will apply
 - Unless and until new laws are enacted by Parliament
 - Parliament may one day decide to change law...so might the EU

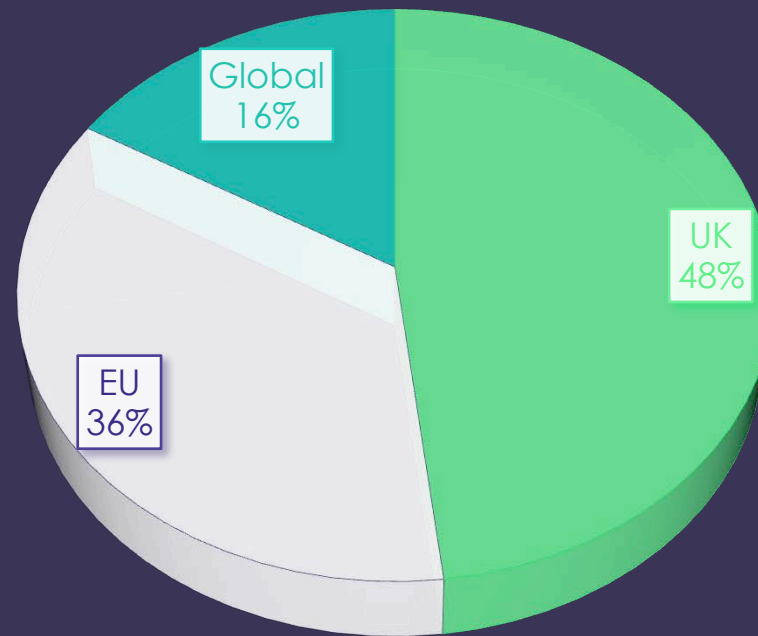
Policy consequences

- The UK was a champion of Telecoms Regulatory Framework in the EU
 - No license required to operate a network
 - No interference in peering policy
 - Regulation aims to promote competition not protect “champions”
- So this policy objective very likely to continue indefinitely in UK
 - But with EU losing a big pro-competition voice, perhaps EU may become more protectionist over time?

2

**What does this mean
for peering in London?**

COUNTRY OF ORIGIN OF LINX MEMBERSHIP



Data based on billing address.

Global companies billed in UK listed as "UK"
Global companies billed in EU listed as "EU".

Consequences for EU operators peering in London

- No change

- Still no need for a license
- EU does not restrict network operators from peering outside EU
- UK obviously will not introduce new restrictions or customs duties on EU operators coming to the UK
 - There are no such restrictions or duties on non-EU operators now
 - Clearly UK will not be discriminating against EU operators in the future

Consequences for non-EU operators peering in London

- LINX has over XXX non-EU members
- For them, **nothing changes at all**
 - They were trading across a border before
 - That continues to be the case
 - Local law hasn't changed
- Still the same peering community to reach

But what about GDPR?

- UK will continue to apply GDPR
 - What this means to you varies according to what kind of business you are, and what you have in the UK, but whatever it is used to mean, it **carries on as normal**
- EU is not telling network operators they can't peer outside the EU because of GDPR – *obviously!*
 - So UK moving outside the EU is no prohibition on peering in UK from a GDPR point of view

3

Why so calm?

Telecoms is different to goods and banking

- Most of the Brexit panic for business is about impact on
 - Trade in goods; and
 - Highly regulated services like banking and healthcare

Telecoms is not like goods

- For trade in goods there are worries about
 - New customs duties at the border – doesn't apply to telecoms
 - Delays caused by inspections for product safety at the border – doesn't apply to telecoms

Telecoms is not like banking or healthcare

- Many service industries are highly regulated and require licensing
 - E.g. you don't just need to comply with banking laws you also need a *license to operate* from the *applicable regulatory authority*
- With Brexit, the applicable regulatory authority may change (depending on industry) from a single EU regulator to a UK one
 - Businesses trading in both will need licenses from both
 - Worries about whether either side's regulators are ready for this
- This doesn't apply to telecoms because no licensing
 - As long as you obey the law, you're fine
 - Which is why non-EU operators already operate so freely in Europe



Thank you



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