

Workshop with Facebook and WhatsApp in the context of the review

Date: 01/06/2016

Venue: BU33 0/58

List of participants:

External

[REDACTED]	- [REDACTED] Facebook	Protection of personal data (Art. 4(1)(b))
[REDACTED]	- [REDACTED] Facebook	
[REDACTED]	- [REDACTED] WhatsApp	
[REDACTED]	- [REDACTED], Facebook	
[REDACTED]	- [REDACTED] Facebook	
[REDACTED]	- [REDACTED] Facebook	

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[REDACTED]	- [REDACTED]	Protection of personal data (Art. 4(1)(b))
[REDACTED]	- [REDACTED]	
[REDACTED]	- [REDACTED]	
[REDACTED]	- Unit B1	
[REDACTED]	- Unit B1	
[REDACTED]	- Unit B3	
[REDACTED]	- Unit B4	
[REDACTED]	- Unit B2	
[REDACTED]	- Unit B2	
[REDACTED]	- Unit B2	
[REDACTED]	- Unit B2, Note taker	

Purpose of the meeting:

This workshop was a follow up to the meeting between [REDACTED] and Roberto Viola (RV) on 19 April, where RV suggested that the telecom review team of the Commission organises with Facebook's WhatsApp team a workshop in order to discuss about interoperability, switching, the future business model of WhatsApp and their views in the context of the review.

Introduction:

[REDACTED]: WhatsApp started in 2009 as a mobile only application, to communicate on smartphones and feature phones across platforms. The application was designed to send text messages, pictures, videos and later on to support voice as well. Communication is nowadays fully encrypted. In 2014 it was acquired by Facebook (FB), but they run their business independently. The service works only with WiFi connection or data plans.

Main topics discussed:

1) Interoperability/interconnection/usage of numbering resources

- WhatsApp services are provided through different channels that have different architecture, however these are assembled to provide seamless experience for the end-user.
- Phone nr. for identification only: The user has to provide his phone number, but this is only used as identification (ID), it is not used to route traffic. One phone number is associated with one account for security reasons (a code is sent to the user that must be typed in).
- Other identification possibilities: If the usage of numbers would decrease, which is not an issue currently, they could use for example e-mail addresses as identifier.
- No plans to interconnect: Given the lack of demand, WhatsApp has no plans to interconnect with traditional telcos (no VoIP to PSTN) nor with FB Messenger. WhatsApp users are using many different applications ("multi-homing"), thus WhatsApp considers that there is no need for interconnection with other (OTT) services. When asked about the future of SMS, WhatsApp took a cautious stance by saying that they see that users use certain means to communicate for certain purposes.
- No Quality of Service (QoS) arrangements: [redacted] explained that WhatsApp operates in an ecosystem with FB that has arrangements with network operators (not in the EU, given the net neutrality rules), however there are no payments involved from any side, they rather advertise each-other. They don't seek QoS arrangements. [redacted] asked, whether they intend to enter end-to-end quality arrangements. [redacted] answered that they focus on providing a reliable service. For instance, FB simulates or mimics various networks in order to improve the delivery quality of its services.

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2) Access to emergency services

- Requirements in the USA for emergency communications: There is an obligation to give access to 911 services for fixed (OTT) VoIP services that also give access to PSTN numbers. Caller location and routing to the most appropriate PSAP is based on pre-registration of the instalment address. Therefore this routing/caller location solution cannot be applied for nomadic services.
- Geo-location biggest problem: OTTs don't necessarily have access to this info. They need the user agreement to use the Caller location. [redacted] suggested to rely in this respect eventually on the geo-location data that is automatically available to the network operator. WhatsApp does not collect geo-location info, the user is in control, whether to share this info or not (e.g. only with certain users or user groups). [redacted] asked, whether this info could be shared only with emergency contacts and stressed that people would be more willing to share. [redacted] stated that they don't see any need for this today. Regarding statistics of the popularity of the geo-location feature [redacted] believed that they don't track it.
- Other problems in this context: PSAPs are not always able to receive IP based data. Even if the PSAP would have a WhatsApp account, this would not be feasible as WhatsApp can't handle multiple calls yet, you can make only one call at a time.

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3) Data portability

- User generated data would be a) contact lists and b) individual chats, messages.

a) Contact lists are generated based on those contacts that use the same application (this is the same for many OTTs). Whether the user has to grant access to his address book depends on the OS, it is not required by WhatsApp. [redacted] referred to an article of Stiftung Warentest from August 2015 that described that WhatsApp automatically reads the whole address book under Android OS. [redacted] was not aware of this and mentioned that she will look into it.

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b) Messages are stored on the user's device, once they have been delivered. WhatsApp has a caching functionality, which is temporary. The user is allowed to back up the messages in the Cloud. The user can download and take with him his chats (intext files), photos and videos. [redacted] argued that it is an obstacle as well that you can't "port" the other person i.e. you can't force the other person (with whom you exchanged

messages) to join the other service. They don't optimise their service to create the same experience that was experienced with another service. They don't lock the content so that people are prevented to access it. Inactive accounts are purged after one year.

4) Security

- The following measures were taken in the last years for security improvement: 1) they improved authentication and 2) they use now encryption in transit, i.e. end-to-end encryption, this means that the message is not decrypted, when it transits via WhatsApp's servers, therefore it is nearly impossible to intercept it. The users hold the key and for each message a new key is generated. Even if one key is intercepted, it is difficult to use it to decrypt the whole thread of communications.

5) Privacy/confidentiality

- The only entities that can read the communication are the end-users. WhatsApp can't get access to the content of the communication. It is also technically impossible for WhatsApp to provide access to any (foreign) government. Even when chats are stored in the Cloud, WhatsApp does not have access to them, because the agreement is between the customer and the Cloud service provider.
- WhatsApp does not need much information about its customers. They log very little and they flash it regularly, and only in order to address quality related issues.

6) Views on the review

- [REDACTED] talked about the level playing field issue and that they don't think that OTT services are substitutes to traditional telco services. Services and networks should be treated separately from a regulatory point of view. Deregulation should be envisaged also for traditional players. Also OTTs are regulated in many ways (data protection rules, privacy etc.).

7) Future business model

- [REDACTED] explained that it could be envisaged to pay for sending certain types of messages to users. [REDACTED] asked whether freemium type of model would be possible (i.e. to pay monthly fee to receive ad-free service). [REDACTED] explained that they did not think about this and that ad banners would not be offered in the traditional way. [REDACTED] mentioned that eventually airlines or restaurants could provide information updates to their customers. [REDACTED] mentioned that because of the encryption WhatsApp would not know what kind of message is sent, thus it could not monetize it. They have not provided further insights on this. [REDACTED] mentioned that at some point WhatsApp and FB will match accounts and they will update their privacy policy accordingly.

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Operational conclusions:

- FB mentioned that they will remain in contact with the Commission in the future in the context of the review.

Of interest to:

Roberto VIOLA; [REDACTED] Anthony WHELAN; [REDACTED];

[REDACTED]
[REDACTED]

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