

## **Exploratory Consultation**

### **“The CDN Ecosystem is at risk”**

We, the CDN Alliance, write to express our concerns regarding the exploratory consultation and the potential regulatory changes impacting the Content Delivery Network (CDN) Ecosystem that as a result of this exploratory consultation might be considered.

This exploratory consultation questionnaire used by the European Commission is a great and democratic way for everybody to respond in relation to this topic and we value the decision of the European Commission to go this route. However, we found - like a lot of other organizations that have expressed similar concerns - that the structure of the questionnaire and the questions as part of that have not been set up the right way to obtain the right information needed to define an informed path. As the CDN Alliance the questions were basically impossible to answer, or any given answer could potentially have the wrong effect if interpreted wrong. Therefore, although this is not the goal of the questionnaire, the CDN Alliance saw no other option than to remain blank in answering the questions.

Due to the nature of the questions formulated as such by the questionnaire, we could not express our point of view or contribute in a meaningful way. Therefore, we use this written contribution to bring our concerns to the attention of the European Commission. We hope that the European Commission takes these concerns at heart.

This written contribution aims to supply more background from a CDN Ecosystem view, meaning the ecosystem of all actors that use, support and/or deliver CDN services and CDN technologies, to distribute content from the originator to the end users across the public internet and across closed networks. The CDN Alliance does not choose a side, as all actors, as part of the debate, are part of the same ecosystem. It is also not aiming to define a statement or proclaim to have a solution. It is worth noting that this written contribution does not cover all the aspects, as the topic is too broad to be captured in just a few pages and as such has been approached in a generic way. It is important to mention that we have not described the details on the complexity but also the importance of the CDN Ecosystem as part of the Internet as we all know and use it today.

Looking at the questionnaire, we have observed the lack of clear problem definition. Network Operators have voiced concerns about the need of upgrading infrastructure and related costs due to traffic growth and there is a need for better infrastructure for EU citizens. But what constitutes ‘traffic growth’ on what networks and where the specific problem areas are within the networks of Network Operators, have not been clearly identified. Also, the exact sizing of those problems has not been defined either. The absence of clarity regarding whether these challenges relate to fixed or mobile networks, interconnection points, core networks, or edges leaves the problem undefined. Without a clear problem statement backed by independent research and hard facts, proposing or implementing any potential solution or legislation, as mentioned within the questionnaire, may be premature and potentially very harmful to the CDN Ecosystem and the Internet in general.

To add to the confusion there is a significant discrepancy in the public information on traffic growth within the EU publicized by Network Operators. Some reports suggest increasing growth or steady growth, while others indicate a slowdown or even a decline. Network Operators' claims of high traffic growth often contradict with what they say within their annual reports. This contradictory information, coupled with unclear metrics on what constitutes 'traffic growth', necessitates independent research to ensure accurate analysis and use of standardized metrics across the EU before any other actions should be taken.

The consultation's mention of new traffic drivers such as the cloud, the metaverse, virtual worlds, and innovative technologies online is worth noting as these could indeed be traffic drivers. While these trends may potentially influence traffic growth, it is necessary to conduct independent research on these trends to understand their probable impacts before painting them as significant traffic drivers based on fear instead of factual evidence.

We don't dismiss the possibility of existing or future challenges and the concerns that Network Operators have raised. Yet, we insist that any potential solution should only be considered after establishing a clear problem definition backed by independent research and hard facts. After considering a solution, an independent impact analysis should be done across the CDN Ecosystem to assess its impact before being considered to be implemented.

While we are not opposed to the consultation itself, we strongly object to any suggestion mentioned within the questionnaire as we believe these are premature to consider at this point. We also strongly object to any suggestion proposed or implemented that favors one or a few actors within the CDN Ecosystem without thorough consultation throughout the CDN ecosystem.

**Our specific concerns are as follows:**

**No Collaboration:** The CDN Ecosystem has thrived for over 20 years based on collaboration between all actors. The exploratory consultation had the potential to disrupt this collaboration, creating divisions within the CDN Ecosystem. We urge the European Commission to facilitate collaborations instead of deepening divisions.

**Single Sided Solutions:** The proposal by Network Operators to directly charge Content Application Providers is a solution, but not the only solution. A range of solutions are already available and should be considered. For any solutions considered, its impacts should be assessed across the whole CDN Ecosystem. But only after the problem has been clearly identified based on independent research and hard facts.

**Impact on the CDN Ecosystem:** Any dictated change can impact all aspects of content delivery, including availability, scalability, performance, costs, efficiency, and security of the full CDN Ecosystem and will very likely impact consumers and business within the EU. Therefore, a clear impact analysis should be conducted across the CDN Ecosystem of any solution(s) and/or legislation before implementing them.

**Increased Costs:** Any dictated change as mentioned within the questionnaire can increase costs for multiple actors within the CDN Ecosystem, making content delivery more expensive. The cost implications could affect consumers and businesses in the EU, thereby widening the digital divide within the EU, which is the opposite of what the European Commission wants to achieve.

**EU vs. The World:** Implementing changes within the EU could isolate the EU within the Global CDN Ecosystem. The negative effects of this isolation could impact the quality and cost of internet use within the EU, potentially damaging the EU's economy and its global standing and all the consumers and businesses within the EU.

In conclusion, we caution against taking these concerns lightly. Any changes to be proposed should be carefully evaluated for their potential effects. The CDN Alliance remains committed to collaborating with all stakeholders within the CDN Ecosystem as well as the European Commission to ensure the continued success of the CDN Ecosystem. We strongly believe that collaboration is key to solve challenges within the CDN Ecosystem and any dictated relationships will have the wrong effect. We remain available for any questions or clarifications in relation to this written response to the exploratory consultation and in relation to the CDN Ecosystem in general.

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