

WHATSAPP, GMAIL ROPED INTO TOUGHER EU PRIVACY PROPOSAL

BRUSSELS: Online messaging and email services such as WhatsApp, iMessage and Gmail will face tough new rules on how they can track users under a proposal presented by the European Union executive yesterday.

The web players will have to guarantee the confidentiality of their customers' conversations and ask for their consent before tracking them online to serve them personalized ads. The proposal by the European Commission extends some rules that now only apply to telecom operators to web companies offering

calls and messages using the internet, known as "Over-The-Top" (OTT) services, seeking to close a perceived regulatory gap between the telecoms industry and mainly U.S. Internet giants such as Facebook, Google and Microsoft. Yesterday's proposal would allow telecom companies to use customer metadata - such as the duration and location of calls - to provide additional services and make more money, something they are barred from doing under the current rules.

The review of the so-called e-privacy law

will also force web browsers to have their default setting as not allowing personalised online advertising based on browsing habits. Instead, users will be asked to opt in to allow websites to place cookies on their browsers. "It's up to our people to say yes or no," said Andrus Ansip, Commission vice-president for the digital single market.

Cookies are placed on web surfers' computers and contain bits of information about the user, such as what other sites they have visited or where they are logging in from. They

are widely used by companies to deliver targeted ads to users.

Online advertisers have warned that overly strict rules would undermine many websites' ability to fund themselves and keep offering free services. They say the data they use cannot identify the user and is therefore low risk, making asking for consent every time too onerous. The proposal scraps the obligation on websites to ask visitors for permission to place cookies on their browsers via a banner every time they land on it if the user has

already consented through the privacy settings of the web browser.

The "cookie banner" has been lambasted as ineffective because people tend to accept them without necessarily reading what that entails. Companies falling foul of the new law will face fines of up to 4 percent of their global turnover, in line with a separate data protection law set to enter into force in 2018.

The proposal will need to be approved by the European Parliament and member states before becoming law. — Reuters



STAVANGER: 98-year-old Judith Haaland sits next to her decades-old radio set in Stavanger, Norway. In a move likely to be watched closely by other nations, the Norwegian government will begin shutting off the FM signal today. By the end of the year, national networks will be available only on Digital Audio Broadcast, or DAB. — AP

DEAD AIR: NORWAY TO PHASE OUT ANALOG RADIO IN FAVOR OF DAB

STAVANGER, Norway: For some radio listeners in Norway, there will be dead air starting today. The mountainous nation of 5 million will become the first in the world to phase out analog signals in favor of Digital Audio Broadcasting, or DAB.

The move has provoked concern for the elderly and motorists, while others will be nostalgic for the crackling sound of old radio. Judith Haaland, 98, remembers the radio broadcasts from London during World War II and Norway's king stiffening the resolve of his countrymen under German occupation. Now blind and living alone, her radio has been her tether to the outside world.

"I remember April 9, 1940, planes flying overhead and Quisling coming on the radio saying he had taken control of the government with the help of the Germans," said Haaland, recalling the rule of Norwegian Nazi collaborator Vidkun Quisling. "After that we listened to broadcasts from London."

In a move likely to be watched closely by other nations, the Norwegian government will begin shutting off the FM signal on Wednesday. By the end of the year, national networks will be available only on DAB. Switzerland and Britain are both considering a switch to digital networks.

Norway claims the move will free up cash for broadcasters to invest in programming, while providing a clearer and more reliable network that can better cut through the country's sparsely populated rocky terrain.

There are already 26 nationwide DAB channels, including versions of the five stations that will soon be removed from the airwaves, and 70 percent of Norwegian households regularly tune in digitally. In an email, Culture Minister Linda Hofstad Helleland said she was "quite comfortable" that the nation of "early adapters" was ready to embrace the digital future.

But critics say that Norwegians are being forced to expensively upgrade their technology and warn that emergency messages could be missed, especially in cars, as up to 20 million analog receivers are rendered obsolete.

Between 2.2 and 2.3 million cars have no DAB. Motorists will either have to splash out on a new radio costing in the region of 4,000

kroner (\$468) or buy an adapter for around 1,500 kroner (\$175). A DAB radio for the home costs around 1,000 kroner (\$117), though consumers can also pick up the signal through their television sets or the internet.

"Norway is not prepared for this. There are millions of radios in homes, cottages and boats that won't work anymore and only around 25 percent of cars in Norway have digital radios or adapters," said Svein Larsen of the Norwegian Local Radio Association.

According to a December poll published in the Dagbladet daily, two thirds of Norwegians think the government is moving too quickly. Others fear elderly people could be left isolated. "This radio goes with me everywhere," said Haaland, gripping her small analog handheld device. "I listen to it in bed at night and it is with me when I wake up. When they close down the FM network I will have to get another new DAB or I will be cut off from the world."

Her son has already bought and programmed one digital radio to replace the decades-old set in her living room. She admits that the new buttons are easier to use than the dials from the analog model. But she frets that not all elderly Norwegians will have the cash or support to make such an easy switch. There is also something less tangible. For almost 100 years, analog radio has provided the soundtrack to her life. She laughs as she recalls listening in 1981 when Norway beat England 2-1 in a soccer match, and Bjoerge Lillelien delivered one of Norway's most famous radio broadcasts: "Lord Nelson, Lord Beaverbrook, Sir Winston Churchill, Sir Anthony Eden, Clement Attlee, Henry Cooper, Lady Diana. Maggie Thatcher can you hear me. Your boys took a hell of a beating," he shouted down the airwaves, his voice crackling in a mixture of Norwegian and English.

Marius Lillelien was next to his commentator father during that World Cup qualifying match. Today he is head of radio at the national broadcaster, NRK. "Of course there is a lot of nostalgia in radio. That's one of the reasons this switch is so controversial. But that means people love radio and nostalgia is an asset to us whether we are broadcasting in analog or on DAB." — AP

SNAPCHAT BECOMES LATEST TECH FIRM TO PICK LONDON

LONDON: Messaging app Snapchat said it would make London the home of its international operations, delivering another vote of confidence in Britain's tech standing as the country prepares to leave the European Union. The company, which has 150 million daily users globally, will book sales in countries where it has no local entity in Britain rather than routing them through lower tax jurisdictions like Ireland and Luxembourg as some other US tech companies do.



The logo and a page of mobile app "Snapchat" displayed on tablets in Paris.

Snap Inc, which plans to go public this year in the biggest US stock market debt since 2014, said the UK's strong creative industries made the country "a great place to build a global business."

Despite the uncertainty sparked by the Brexit vote, London has remained attractive to global tech firms due to its pool of talent in the creative and tech sectors, many of whom have come from Europe and further afield. The city's position as a global financial hub

also provides access to funding for startups and capital for larger companies.

Since the referendum decision in June, companies like Google, Facebook and Amazon have increased their investment, to the delight of Theresa May's government.

"We believe in the UK creative industries," Claire Valoti, general manager of Snap Group in the UK, said yesterday. "The UK is where our advertising clients are, where more than 10 million daily Snapchatters are, and where we've already begun to hire talent."

Snapchat started in 2012 as a free mobile app that allows users to send photos that vanish within seconds. It now employs more than 75 staff in London, up from just six a year ago. Google said in November it would hire another 3,000 engineers and other staff in a 1 billion pound investment in London. Facebook is expanding its presence by 50 percent, saying its engineers wanted to be in London, a city with an "amazing ecosystem" of technology and creative companies.

The additional tech jobs may be dwarfed by the number of jobs that could go in the financial sector if banks relocate to remain in the bloc, and tech firms have expressed concern about how Brexit could affect them. Leading tech firms and start-ups say they need to attract the best people, warning that restrictions on the movements of people would make London less attractive in the long term. Major US tech firms including Facebook, Google and Apple have been criticised for the way they handle their tax affairs, opting to locate their European HQ in Ireland to take advantage of one of the lowest corporation tax rates in the EU. — Reuters

APPLE PROVED A PHONE CAN CHANGE THE WORLD IN 10 YEARS

JOBS' 'MAGICAL PRODUCT' PUT COMPUTERS IN BILLIONS OF POCKETS

SAN FRANCISCO: Few people realized it at the time, but the world shifted fundamentally a decade ago when Steve Jobs pulled the first iPhone from Apple's bag of technological tricks.

"Every once in a while, a revolutionary product comes along that changes everything," Jobs declared as he paced across a San Francisco stage. It obviously wasn't an empty boast. We all know now that Jobs' "magical product" has reshaped culture, shaken up industries, put computers in billions of pockets and made it possible to do just about anything with a few taps on a screen. Besides its then 3.5-inch touch screen, the first iPhone featured a browser for on-the-go web surfing and built-in apps to check email and get directions.

GOING MOBILE

Apple has sold more than 1 billion iPhones since its debut, spawning millions of mobile applications and prodding other technology companies to make similar smartphones that have become like phantom limbs for many of us. We use iPhones and their copycats to instantly share video and pictures with friends and family from almost anywhere. We use them to figure out where we are going. We use them to find the best deals while shopping in stores and to pay for stuff at the checkout stand. We use the phones to a hail ride, to tune instruments, to monitor our health and help find our next jobs.

Phones have gotten so smart that they even talk back to us via helpful digital concierges such as the iPhone's Siri and the recently introduced Assistant on Google's Pixel phone.

"iPhone is an essential part of our customers' lives, and today more than ever it is redefining the way we communicate, entertain, work and live," Apple's current CEO, Tim Cook, boasted in a retrospective that the Cupertino, California, company posted on its website.

ROADKILL IN ITS WAKE

The iPhone's revolutionary touch screen doomed the BlackBerry, another once-popular internet-connected phone. Mobile phones and their tablet cousins triggered a downturn in personal computer sales that is still unfolding. An estimated 219 million desktop and laptop computers shipped worldwide last year, down from 264 million in 2007, according to the research firm Gartner Inc. Meanwhile, nearly 1.9 billion mobile phones shipped last year, up from 1.15 billion in 2007. All told, Gartner estimates about 5 billion mobile phones are currently in use around the world compared to 1.3 billion PCs.

The eroding popularity of PCs spurred shake-



SAN FRANCISCO: In this Jan 9, 2007, file photo, Apple CEO Steve Jobs holds up an iPhone at the MacWorld Conference in San Francisco. Jobs introduced the first iPhone a decade ago. Jobs' "magical product" reshaped culture, shook up industries and made it seem possible to do just about anything with a few taps on a screen while walking around with the equivalent of a computer in our pocket. — AP

ups at powerful tech companies such as Microsoft, Intel, Hewlett-Packard and Dell, none of which adapted nimbly to the mobile world unleashed by the iPhone. Then-Microsoft's CEO Steve Ballmer scoffed at Apple's glass-and-metal gadget, telling USA Today in April 2007 that "there's no chance that the iPhone is going to get any significant market share. No chance." Microsoft wound up squandering the \$7.6 billion that it spent to buy phone maker Nokia in a futile attempt to catch up to the iPhone. Ballmer stepped down as CEO three years ago and was replaced by Satya Nadella, who introduced versions of Microsoft's popular Office programs that worked on Apple's iPad - a tablet based on the iPhone.

A HUGE HIT ... AND THEN A STALL

The iPhone's success helped make Jobs a revered figure for many, and one whose October 2011 death was mourned around the world. The device has established Apple as the world's most profitable company with earnings of \$45.7 billion on sales of \$216 billion during its latest fiscal

year. (Prior to the iPhone's release, Apple posted an annual profit of \$2 billion on sales of \$19.3 billion.) Its stock-market value is hovering around \$635 billion, thanks to a split-adjusted stock price that's risen by nearly a factor of 10 since the iPhone's debut.

Lately, though, the iPhone appears to be losing some steam. People are keeping older models for longer before upgrading or switching over to competing phones that run on Google's Android software. Apple suffered its first-ever decline in iPhone sales in its last fiscal year, causing the company to miss its revenue projections and hitting Cook with a 15 percent pay cut.

Most smartphones now run on Android, partly because Google gives away the software. That has helped iPhone rivals woo price-conscious consumers, especially outside the US, with phones that are much cheaper than the iPhone, whose latest models now cost more than \$649 to \$849. In his statement, though, Cook promised the iPhone is "just getting started. The best is yet to come." — AP

DIFC LAUNCHES 'FINTECH HIVE'

DUBAI: Dubai International Financial Centre (DIFC), the financial hub for the Middle East, Africa and South Asia (MEASA) region, and Accenture, a leading global professional services company, yesterday announced the region's first FinTech accelerator in Dubai. This Smart News Release features multimedia.

Set to launch in the first quarter of 2017, FinTech Hive at DIFC, will bring cutting-edge financial services technology to MEASA markets, while providing a platform that brings financial and technology firms together to increase access to, improve customer experience and drive operational efficiencies in the financial services sector.

The global FinTech sector has attracted more than \$50 billion in investment since 2010, but currently the MENA region only attracts around 1 percent of that. The DIFC Accelerator intends to bridge the gap by creating a platform that identifies leading technology entrepreneurs and companies through a competitive process and then offering them the opportunity to develop, test and modify their innovations in collaboration with top executives from DIFC and regional financial institutions.

His Excellency Essa Kazim, Governor of Dubai International Financial Centre said, "We are proud to be launching FinTech Hive at DIFC following the recent announcement of the world's first government accelerator programs. The UAE National Innovation Strategy and Dubai Plan 2021 steer us to be among the smartest cities in the world. With our founding Membership in the Global Blockchain Council and today's launch, DIFC is pioneering innovative developments in the MEASA's financial services sector, while taking our economies to new horizons."

Sushil Saluja, Accenture's senior managing director for Financial Services, Europe, Africa, Middle East and Latin America region, said, "DIFC is uniquely positioned to become the regional hub for FinTech. The accelerator program will identify the best entrepreneurs within the financial services industry and grant them invaluable access to and feedback from potential customers and funders."

FinTech Hive at DIFC will start with a 12 week 'accelerator program'. It intends to catalyse the growth and efficiency in a variety of areas including trade finance, alternative finance such as P2P payments, and Sharia based services. Emirates NBD and Mashreq will be the first local financial institutions to join the accelerator program, while HSBC and VISA are the first international financial services providers. — AP



Dubai International Financial Centre (DIFC) Gate

BLOCKCHAIN, COGNITIVE COMPUTING, CLOUD TO SHAPE FUTURE OF FINANCE

SAN FRANCISCO: Blockchain, cognitive computing and cloud are some of the technologies that will shape the finance industry the most in the digital age, banking and technology chief executives told a financial conference on Monday. IBM Corp's president and chief executive Ginni Rometty said that cognitive computing, or computer systems that can mimic the way the human brain works, will be the "ultimate way" finance firms will become more competitive in the future. "I think the advantage is going to go to who has the best insights," Rometty told delegates.

Over the past few years financial institutions have been struggling to take advantage of vast amounts of data that they store, which is held unevenly across their numerous databases.

"We all have mounds and mounds of data, but getting data to produce insight, that is the holy grail," Cathy Bessant, chief operations and technology officer at Bank of America Corp, told Reuters on the sidelines of the Fintech Ideas Festival. Financial institutions have also been ramping up investment into developing blockchain technology, the distrib-

uted data-base system that first emerged as the software underpinning cryptocurrency bitcoin. "Blockchain is so profound it will do for trusted transactions what the internet did for information," IBM's Rometty said, describing it as one of the most transformative technologies for finance.

Biometrics and cloud computing were also among the technologies cited as having the most impact for the sector. Tim Sloan, chief executive of Wells Fargo & Co, said the bank was moving away from passwords and adopting technology such as voice recognition to identify customers.

He also called for greater adoption of cloud technology to "test projects through, much more quickly." Sloan took over as chief executive of Wells Fargo in October, in the wake of a \$185 million regulatory settlement between the bank, regulatory authorities and a Los Angeles prosecutor over its staff opening as many as 2 million accounts without customers' knowledge.

"Innovation plays a very important role for me as the new CEO of Wells Fargo as we rebuild trust in the company," Sloan said. — Reuters