

Prague 2020 5G Security Conference 24 September 2020

Excellencies, ladies and gentlemen of the Prague 5G Security Conference, thank you for the honour to deliver these opening remarks to you today on behalf of the UK Government.

The Prague Security Conference is a prime and unique platform for the world of telecommunications and security, a complicated and sensitive world.

Digital connectivity is an increasingly vital part of our lives – it underpins our economy, our jobs and helps to keep us in touch with one another.

I think everyone in ‘this’ virtual room can agree that this period of global crisis has brought home the crucial importance of a reliable connection, around the world.

But the world needs to look to the future, to be at the forefront of the technology revolution. That means accelerating the development of world-class, next generation digital technology through 5G and full fibre.

5G will transform the way we communicate and the way we live.

But in order to maximise the benefits of these technologies we need to have confidence in the security and resilience of the networks on which they are built, the supply chains on which they depend, and the equipment and services that support them.

Ensuring the security of our networks, for example through vendor risk assessments and by increasing security standards is vital.

I know much of the event yesterday touched on these matters and it is right that we continue to focus on them.

In the UK we will be taking forward our own approaches.

We will shortly introduce the Telecoms Security Bill. This crucial piece of legislation will in time allow us to implement one of the toughest regimes in the world for telecommunications security.

It will give the government and Ofcom new powers to drive up security standards and control the presence of high-risk equipment vendors in our networks and enshrine in law one of the strongest regimes for telecoms security in the world.

The Bill will introduce a new strengthened telecoms security framework, including new telecoms security duties and requirements on operators. These tough new duties and requirements will raise the security bar, and help to ensure operators protect networks against the greatest threats to telecoms

security.

And a new national security direction power will require operators to comply with specific controls in relation to individual high risk vendors.

We need to ensure that we increase security standards across the industry as a whole – that means both telecommunications operators and equipment suppliers – whilst also ensuring that we as a government have the powers necessary to manage the national security risks to the networks.

But this isn't just about security.

And security frameworks alone will not address the real issue at hand – the current lack of effective choice and competition in the telecommunications access market.

The rapidly changing technological base for telecoms provides a unique opportunity for a collective effort to open up the market to greater competition.

With that opportunity in mind, our focus is now on resolving the wider global issue of diversifying the market, working closely and urgently with our allies.

Market failure has brought us to the position we are now in, a market that has consolidated to a handful of scale suppliers.

In the future it is essential that we are never again in the position of having to rely on just a few individual suppliers.

And It is therefore vital that we take collective action to grow the market, and make it more competitive and diverse.

Not only will a more diverse supply chain reduce our respective national dependencies on any individual suppliers – it is also central to driving more competition, innovation and higher security standards in the telecoms supply market.

But we must do this in a way that balances our short term resilience with our longer term vision.

This is why the UK Government is urgently pursuing an ambitious, multifaceted diversification strategy.

The strategy, to be published shortly, will outline our long-term vision for the UK and global telecoms supply market. One with greater diversity and competition amongst suppliers – and with security and resilience an essential requirement.

To do this we need to open up the supply chain – splitting out the lock-in between hardware and software components. We want to see interoperability become the industry default and common global standards set the technical requirements.

We will achieve this by focusing our work on three core elements:

First – securing the supply chains of our critical incumbent suppliers by putting in place measures and mitigations that will protect supply chains and ensure there is no disruption to our networks.

Second – bringing new scale vendors into the UK market by removing barriers to entry, providing commercial incentives and creating large scale opportunities for new vendors to enter the UK market.

And third – addressing the existing structure of the supply market by investing in research and development and building partnerships between operators and vendors that will mean interoperable solutions become the standard across the industry.

And I am encouraged by the progress that industry is making to bring forward the development of technologies such as OpenRAN.

Recently Vodafone announced its first OpenRAN site in the UK, at the Royal Welsh Showground in Powys in rural Wales. This new approach has the ability to make us less dependent on larger incumbent suppliers and find ways to reduce the cost of rolling out mobile coverage, while also increasing resilience.

We are looking at a range of policy levers across each of these strands of work including incentives for operators and vendors to accelerate diversification, investments in research and development and the removal of regulatory barriers where they exist.

And of course we want to make the most of the UK's vibrant and innovative telecommunications sector and want to work with industry to test, develop and deploy new and emerging technical solutions.

That is why my department is establishing a telecoms diversification taskforce, comprised of industry leaders and technical and academic experts. This taskforce will guide our thinking on how we develop solutions that will drive innovative and sustainable changes across the market.

But achieving our long-term vision for diversification is not something that the UK can achieve alone. This is a global issue.

We believe we all have a shared responsibility to address the current failure in the telecommunications supply market.

It will require a collaborative, coordinated and concerted effort from a range of like-minded international partners – working in lock-step with industry – to overcome the current barriers to diversification.

To that end I would like to state my thanks to those partners who we have already engaged on this important issue. I ask for those conversations to continue, and invite those partners who share our long-term vision to reach out too.

Because we are now at a crunch point. We believe there is a real opportunity to deliver real change to the betterment of the market, but we must act now.

The UK Government is committed to driving this conversation forward and engaging with this global community – our allies – on these pressing issues.

So in closing, I would again like to thank and express my gratitude to all those who are here and for the opportunity to address the conference today.

The matters being discussed here are all shared issues. Similarly, I know that we also share the same objectives – to drive forward digital connectivity, whilst safeguarding our national security interests. And only by working together will we deliver lasting and sustainable solutions.

We shouldn't underestimate the opportunity we have here today, in Prague, to learn from each other, sharing successes and failures.

It is vitally important that conversations like these, on crucial issues such as these, continue to take place.

I wish you success in the remainder of this conference and look forward to engaging further on these issues in the near future.