



## REPORT

### **The ITU Regional Workshop on *Calibrating the Policy, Legal and Regulatory Environment to Enable the Digital Economy,* Moscow, Russia, 7-8 September 2017**

ITU Regional Workshop on *Calibrating the Policy, Legal and Regulatory Environment to Enable the Digital Economy*, organized by the Telecommunication Development Bureau with the support of the Ministry of Telecom and Mass Communications of the Russian Federation and in collaboration with VEON, was held in Moscow, Russia, 7-8 September 2017.

The Workshop was attended by **49 participants** from **12 countries**, including **8 CIS countries** (Republic of Armenia, Republic of Belarus, Republic of Kazakhstan, Kyrgyz Republic, Republic of Moldova, Russian Federation, Republic of Tajikistan, Republic of Uzbekistan), as well as from the Netherlands, the UK, Swiss Confederation, and the Kingdom of Sweden. The participants represented communication administrations, telecommunication companies, scientific and research institutions, specialized universities, as well as regional and international organizations. The International Telecommunication Union was represented by Kirill Oparin, Head of the Area Office for CIS, and Farid Nakhli, Programme Officer, Area Office for CIS.

At the opening ceremony, greetings were delivered by Mr. Rashid Ismailov, Deputy Minister, Ministry of Telecom and Mass Communications of the Russian Federation; Mr. Mikhail Yakushev, Executive Vice President and Head of Government Relations, VimpelCom, Russia; Mr. Kirill Oparin, ITU Area Representative, CIS Countries; and Mr. Dmitry Shedko, First Deputy Minister of Communications and Informatization of the Republic of Belarus. Mr. Yakushev in his greeting speech in particular noted the ITU key role in the telecommunication standardization and the importance for telecommunication companies of cooperation with ITU.

The work of the Workshop was divided in 4 sessions dedicated to the issues, such as: changing economies and the information society: the impact of digitization in Eurasia; digital business models and OTTs; challenges and opportunities of disruption – a policy perspective; key elements of Big Data; the future of the internet; IoT policy and regulatory considerations. **16 presentations** dedicated to these issues were delivered at the workshop.

The Workshop was conducted in Russian and English with simultaneous interpretation.

Within the framework of **Session 1** moderated by Kirill Oparin, which was dedicated to the issues of changing economies and the information society and the impact of digitization in Eurasia, presentations were delivered by Mr. Viktor Shkipin, Mobile Financial Services Director, VimpelCom, Russia; Mr. Yevgeniy Malishevskiy, Director of the Science and Consulting Centre, National Telecommunications Association of Kazakhstan; Ms. Galina Kucheriavaia, Head of Legal and Government Relations, Sky Mobile, Kyrgyz Republic. Also, a speech was delivered by Mr. Iliya Dimitrov representing the Association of Electronic Marketplaces (Russia).

Mr. Malishevsky, when considering system questions of improving the communications regulation for the development of digital economy, noted as one of the key obstacles lack of a system of generally accepted terms and notions and characterized as a real challenge the issue of big data processing. The issue of big data processing was also covered in the speech of Mr. Dimitrov, who in particular noted that for transition to digital economy all business processes should be newly revised.

Ms. Galina Kucheryavaya presented the situation of the development of digital economy in Kyrgyz Republic, the activities of Sky Mobile and the officially launched in spring of 2017 state programme of Tazaq Koomv, which is aimed at digital transformation of the country. As one main obstacles for the development of digital economy in Kyrgyz Republic, Ms. Kurcheryavaya noted a low level of the incomes of the population and lack of real competition between banks.

**Session 2**, moderated by Mr. Tomas Lamanuskas, Group Director Public Policy, VEON (Netherlands), was dedicated to digital business models and OTTs , as well as the challenges and opportunities of disruption.

In particular a presentation by Mr. Mr. Egor Kazantsev, Head of Technologies Development, Finvale (Russia) covered the opportunities of digital service marketplaces as an open platform (in the context of telecommunication companies) and the experiences of creation of platforms for marketplaces by the example of financial products. Mr. Mr. Sharif Carmo, Chief Operating Officer, GetShopTV (Russia) presented to the Workshop participants current capabilities and the future of interactive video for creation of a commercial with backward communication.

Presentation by Mr. Rory MacMillan, Partner in Macmillan Keck Attorneys & Solicitors (Switzerland) was dedicated to the issues of competition in digital service market and regulation barriers embarking upon the path of digital strategies. In particular, Rori MacMillan noted the necessity of constant revision by the sector regulators of their approaches to electronic communications and broader digital services to ensure coherent regulatory regimes that enable investment, competition and innovation. Presentation by Sean Kennedy, Director, CEG Europe (United Kingdom) covered the policy challenges and opportunities from a changing digital eco-system.

Within the framework of **Session 3** moderated by Mr. Farid Nakhli, Programme Officer of the ITU Area Office for CIS, which considered the issues of information society and Big Data, 4 presentations were delivered.

Presentation by Mr. Vladislav Shershulsky, Director Prospective Technologies, Microsoft (Russia) covered regulatory issues which appear as a result of rapid growth of cloud technologies, IoT and development of smart devices, and in particular applying ethic notions to information agents. Mr. Sergei Dobriakov, Head of the Big Data Products, VimpelCom (Russia) presented those opportunities the telecommunication companies obtain thanks to broad spectrum of information of the client and the utility of so-called anonymized data for “the wide audience” at the service market.

Presentation by Yulia Kossykh, Manager, Frontier Economics (United Kingdom) covered the impact of Big Data on competition and was based on the cases from European competition legislation.

Mr. Denis Low, Associate General Counsel Data & Privacy, VEON (Netherlands), in his presentation, raised the issue of Big Data and information security, in particular the privacy issue, noting the necessity to improve regulations and at the same time educate users to be more trustful towards digital technologies.

Second day of the workshop was opened by a greeting of Mr. Nurudin Mikhitdinov, Director General of Executive Committee of the Regional Commonwealth in the field of Communications, who thanked the workshop organizers and noted the importance of the development of digital economy as a future having no alternative and a future structure of the development of society and all institutions.

**Session 4**, moderated by Mr. Michael Yakushev, Executive Vice President and Head of Government Relations, VimpelCom (Russia), was dedicated to the future of the Internet and policy and regulatory considerations. At Session 4, 4 presentations were delivered.

Mr. Nurlan Esenturov, Chief Specialist, Legal Support Department, State Committee of Information Technology and Communications of the Kyrgyz Republic, in continuation of the presentation of Ms. Galina Kucheryavaya, presented in more detail the Taza Koom state programme, which is being implemented in Kyrgyz Republic. Mr. Alexey Ivashinko, Engineer, ICT Research and Development Department, Giprosvjaz (Republic of Belarus) presented IoT projects which are under implementation in the Republic of Belarus and, in particular, the concept of Smart Home based on the application developed by Beltelecom. Presentation by Mr. Evgeny Makhortov, Head of Government Relations Eastern Region, Nokia (Russia) covered key trends in regulation policy relating to the development of IoT and the EU digital single market strategy. The session was completed with a presentation by Mr. Patrik Ekdahl, Manager Platform Security Research, Ericsson (Sweden) dedicated to the issues of security in the context of 5G.

Upon completion of each session, participants had an opportunity to pose questions to the speakers. In particular, the issue of possible use of anonymized data raised by some speakers caused a quite active discussion of where personal information ends and statistics begin.

Within the framework of closure ceremony, closing remarks were made by Kirill Oparin. Summing up the results of the workshop, Mr. Oparin noted quite frequent absence of structured approach with numerous interesting ideas aimed at the development of digital economy. As positive examples of ideas for the development of digital economy, Mr. Oparin mentioned the Taza Koom programme and Smart Home programme presented at the workshop. Evaluating the workshop, Mr. Oparin characterized it as good platform for exchange of experiences in the field of digital economy development and, therefore, as a successful event, which had fully met its objectives.