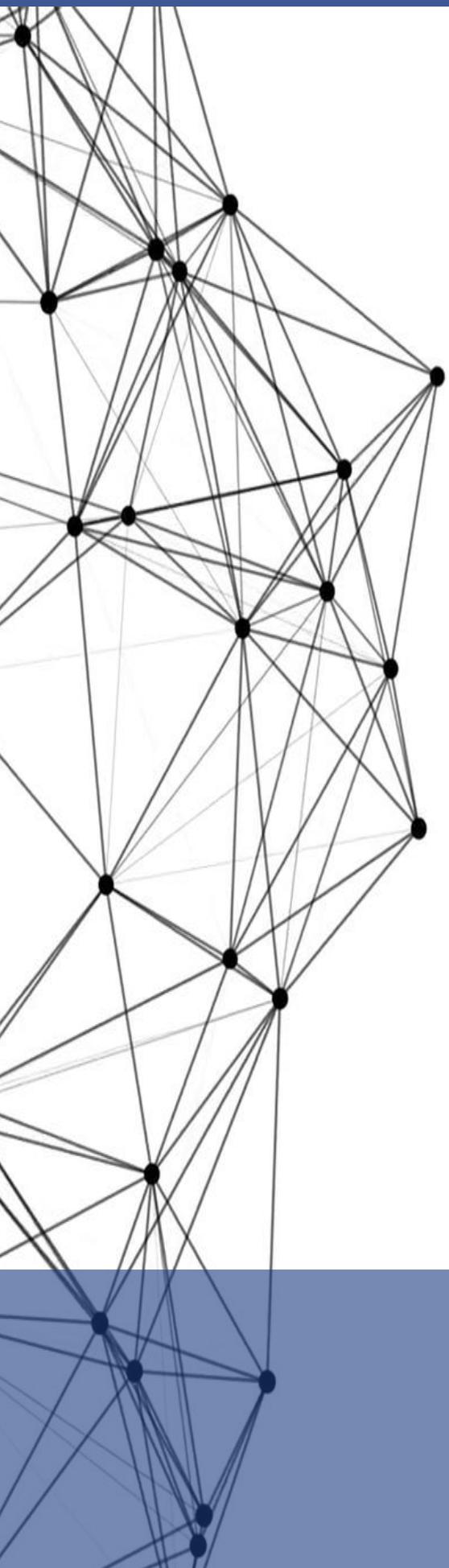


MAY 2018



TRPC NEWS





AUSTRALIA	2	NEW ZEALAND	17
BANGLADESH	5	PHILIPPINES	19
CAMBODIA	6	SINGAPORE.....	20
CHINA	7	SOUTH KOREA	22
HONG KONG.....	9	SRI LANKA	23
INDIA	10	TAIWAN	24
INDONESIA	12	THAILAND	25
JAPAN	13	VIETNAM	27
MALAYSIA.....	15		
MYANMAR	16		

Australia **Creates** Position of National Data Commissioner

Australia has, in [response](#) to a 2017 Productivity Commission Inquiry into data availability and use, created a position of National Data Commissioner and a new National Data Advisory Council at a cost of AUD65m (USD49m) over the next four years. Accredited Data Authorities will also be created [but what form and structure they will take on is still vague].

- A new Data Standards Body will facilitate collaboration on data access and transfer standards with designated industry sectors, the technology community, consumer groups and privacy advocates.
- The Minister Assisting the Prime Minister for Digital Transformation will be driving the legislative process behind a new Data Sharing and Release Act which will put in place institutional and governance arrangements for data sharing.

🔗 **Impact Analysis:** This should open up more public sector data for use in open data initiatives as previously agencies simply refused to share data because of all-encompassing and excessive secrecy classifications. The Data Commissioner could act as a strong advocate of consumer data rights and ensure users' data is being used responsibly and appropriate privacy safeguards are in place. This will only happen if there is adequate pressure on the Data Commissioner to make sure providers do not try to create a 360-degree "God-like view" of individuals.

Govt **Agrees** Consumer Data Right Framework and Application of Right to Open Banking

In its response to the Open Banking Review the govt has accepted the recommendations made by the Review with a phased implementation starting from Jul 2019. All major banks will make data on credit and debit card, deposit and transaction accounts available by 1 Jul 2019. Mortgages data will be made available by 1 Feb 2020. Data on other remaining products will be made available by 1 Jul 2020. The smaller banks in Australia will begin Open Banking implementation about 12 months later than the major banks.

- The Treasury will kick off a draft legislation consultation in the coming months. The Australian Competition and Consumer Commission ([ACCC](#)) will hold a consultation on draft rules and Data61 a consultation on technical standards.
- The govt has [published](#) 67 of the 74 submissions it received on the Report of the Review into Open Banking in Australia.
- The govt will invest AUD20m (USD15m) over the next four years to implement the general data right for all consumers. The ACCC will establish an Access to Data Unit and will set accreditation criteria and processes for data recipients. The Office of the Australian Information Commissioner (OAIC) will be responsible for privacy protections.
- Customers will be able to [find](#) better deals for their banking products. Comparison services will be able to do a better job of assessing the value and suitability of products. Entrepreneurs will be able to develop new services and products.

🔗 **Impact Analysis:** This represents a major step by Australia to codify the Consumer Data [Right](#) and put in the enabling legislative edifice. The step has been achieved despite a concerted effort by major Australian banks to push back and shows what a committed govt can do. There could still be a lot of work done on privacy protections to give users more power to sue service providers.

APRA **Authorises** New Restricted ADI Licensing Framework

The Australian Prudential Regulation Authority (APRA) has issued a new licensing framework to make it easier for fintech start-ups to get a licence and offer services in Australia by introducing a phased approach such as with the capital raising process. The APRA says it remains open minded and will engage with restricted Authorised Deposit-taking Institution (ADIs) on the use of cloud services.

- The restricted ADI licensing framework will give eligible new entrants time to set up the resources and systems necessary to be able to meet the prudential framework aspects.
- In the coming months the APRA will update its ADI authorisation guidelines to provide further clarity to potential applicants for their licence applications.

- The restricted ADI licensing framework might be of interest to fintech companies that wish to take deposits as part of their business model.
- The APRA has since authorised Volt Bank as the first restricted ADI.

2018-19 [Budget to Invest](#) in Key Platforms and Technologies

The digital identity system Govpass is slated to receive AUD92.4m (USD70m) as eight govt digital identity services will be piloted in the coming year, with 500,000 people participating. The first service will be applying for a tax file number and registering a business, with the pilot starting in Oct. AUD700,000 (USD528,063) will fund research into using blockchain for govt services.

- The [budget](#) is out and can be viewed at <https://www.budget.gov.au/>.
- The Department of Parliamentary Services will get AUD9m (USD6.8m) for four years to establish a cybersecurity operations network.
- A new space agency will get AUD41m (USD31m).
- AUD160m (USD121m) will be spent on a Satellite-Based Augmentation System, AUD64m (USD48m) on a National Positioning Infrastructure Capability and AUD37m (USD28m) on satellite data access.
- The Department of Industry, Innovation and Science will get AUD20m (USD15m) to implement an Asian Innovation Strategy.

Regional Telecoms Review [Launched](#)

An independent committee has been assembled by the govt to review regional telecom arrangements as part of an exercise conducted every three years to assess regional telecom issues including the level of service access. The committee will seek views from communities across Australia. The [Terms](#) of Reference include looking at how Australians can maximise the economic and social benefits from modern telecom services and an analysis of the govt's Mobile Black Spot Program.

- The committee will be asking for submissions soon and will deliver a report in Sep 2018.

 **Impact Analysis:** The Review offers a company like Microsoft to bring up TV white space applications and technology.

Govt Kicks Off [Consultation](#) on Superfast Carriage Service Networks

The govt wants to extend the expiration date for the Carrier Licence Conditions (Networks supplying Superfast Carriage Services to Residential Customers) Declaration 2014 ([CLCs](#)) from 30 Jun 2018 to 30 Jun 2020. Submissions are welcome by 23 May. The CLCs require broadband networks servicing residential customers to work on a functionally separated basis between their retail and wholesale units, and to offer wholesale services on a non-discriminatory basis.

Australia [Issues](#) New Science and Technology Policy for National Security

Strong scientific research is an important foundation element of national security. The [policy](#) will promote seamless collaboration across govt, industry and universities to develop a number of capabilities, including cybersecurity ones. The National Security Science and Technology Centre (NSSTC) will [lead](#) the charge.

- The objectives in cybersecurity are to anticipate vulnerabilities, strengthen cyber systems and critical infrastructure, and improve the national capacity to respond and recover from a cyberattack.

OAIC [Investigating](#) 2016 Commonwealth Bank of Australia (CBA) Data Incident

In 2016 two magnetic tapes used to print bank statements were [supposed](#) to be destroyed. The bank has to date not been able to confirm whether the tapes were destroyed or not. The tapes could have potentially contained information on 19.8 million CBA customers.

ABS [Tracking](#) People Through Their Smartphones

The Australian Bureau of Statistics (ABS) is using mobile device data to compile its Estimated Resident Population (ERP) measure through a trial engagement with an unnamed telco. The study ran back in 2016 and included age and sex breakdowns.

✎ **Impact Analysis:** Is this part of a larger trend within Australian public sector and private sector organisations of ignoring Australian citizens' privacy rights? No informed consent was sought from customers before the telco handed the data over to the ABS. It is important for organisations to conduct a privacy impact assessment when thinking of undergoing a new data collection and analysis project.

ASX Puts Out Blockchain Post Trade Settlement System Consultation [Paper](#)

The Australian Stock Exchange (ASX) is developing the platform with Digital Asset to upgrade the Clearing House Electronic Subregister System (CHES) and the paper lays out the systems that will connect to it when it goes live in 2020 or early 2021. The paper mentions the 50 business features that industry wants most.

- The new system is intended to reduce risk and friction in post trade settlements and serve as an innovation engine for the domestic financial sector.
- Submissions are welcome until 22 Jun.

ACCC Supports Car Repair Information [Sharing](#)

The ACCC has come out in support for a mandatory scheme to share technical information on car repairs. Car manufacturers will have to share information with all repairers and not just their preferred dealers.

✎ **Impact Analysis:** Even though this is not real-time digital data sharing, that the ACCC is in support of any information sharing scheme is a positive thing.

Victoria Regional Rail Lines To [Get](#) Better Mobile Coverage

The trains will be direct beneficiaries of the AUD18m (USD14m) Regional Rail Connectivity Project (RRCP) which will see the construction of 35 new mobile towers by private telcos. Individual trains will be fitted with boosters.

ACCC [Publishes](#) NBN Co Revenue Constraint Methodology Draft Determination

The ACCC has in principle agreed to accept the NBN Co's proposed values for its Long Term Revenue Constraint Methodology (LTRCM) for 2016-17 without modification. The ACCC says it is satisfied that the NBN Co's prices for 2016-17, as part of its Special Access Undertaking (SAU), did not go over the applicable maximum regulated price. Feedback is welcome until 25 May.

Optus Wholesale in Deal with Newest MVNO

Optus will [provide](#) 4G wholesale services to TravelSIM, the latest mobile virtual network operator (MVNO) in Australia.

NNNCo [Launches](#) Newcastle IoT Net

The National Narrowband Network Company (NNNCo) is constructing a LoRaWAN IoT network across Newcastle to power its smart city applications. The New South Wales govt is putting AUD4.98m (USD3.8m) into the project.

BTRC [Issues](#) Directive on IoT Device Imports

As per the directive, all importers are [required](#) to first register with Bangladesh Telecommunication Regulatory Commission (BTRC) and receive a no-objection certificate before importing IoT devices, which is valid for a one-year period and subject to renewal.

- While a fee of BDT25,000 (USD294) plus 5% value added tax for the certificate will be charged, importers and suppliers will be exempted from such fee and approval if they import devices with only 2-watt power output capacity.
- For non-SIM-based sensor devices, BTRC plans to allocate five spectrum bands – i.e., 433.05-434.79MHz, 866-868 MHz, 922-925MHz, 2400-2483.5MHz and 5725-5875MHz.

 **Impact Analysis:** While on the one hand encouraging the use of IoT devices will help drive Bangladesh's smart city agenda, imposition of such levies and a limited validity period on certificates is likely to increase compliance and economic costs for local importers and suppliers.

Alibaba [Acquires](#) E-Commerce Firm Daraz

Alibaba, has acquired Daraz Group which operates in Bangladesh, Pakistan, Nepal, Sri Lanka, and Myanmar.

- Daraz plans to leverage Alibaba's experience in technology, e-commerce, digital payments and logistics to drive growth in the five South Asian markets, that have a combined population of over 460 million.
- Earlier, Alipay also signed a deal with the mobile financial services provider bKash to enhance bKash's technological capabilities.

Bangladesh's Ride Hailing Service [Raises](#) Investment from Go-Jek

Bangladesh's motorbike-taxi hailing service, Pathao, has raised pre-Series B investment of over USD10m led by Indonesia's Go-Jek. The Indonesian motorbike-taxi hailing company initially invested in Pathao's Series A last year.

- Pathao plans to use the capital to expand to new cities, and continue to build out additional services, including food delivery and digital payments.
- Pathao's journey is very similar to Go-Jek. While it started as a courier service leveraging growth in e-commerce sector, it further expanded to bike taxis and then into cars.

Cambodia, South Korea Sign USD3.1m Agreement to [Create](#) Online Job Portal

The public online job portal will allow Cambodians to explore vacancies with employers, and the agreement will run until 2021.

- The two govts will study the public labour service systems before setting up the project in 2019 and implementing the software and technology.
- After 2021, the project will then focus on monitoring and evaluation.

Cambodian Opposition Leader's Bid for Facebook Information [Rejected](#)

Sam Rainsy, exiled leader of the opposition party National Rescue Party in Cambodia, had attempted to subpoena Facebook to defend himself against criminal and civil claims against him by the Cambodian govt.

- The magistrate has however indicated that Rainsy's request was framed too broadly and has recommended to narrow the request to investigations about the Cambodia PM's Facebook page "likes".
- Sam Rainsy will reportedly be filing a renewed subpoena.

China [Lays Out](#) Roadmap for “Internet Plus Healthcare” Development

The State Council has [issued](#) guidelines to promote Internet Plus healthcare development in order to improve service efficiency and reduce costs.

- The guideline also calls for: 1) cloud platforms for healthcare education and training to be rolled out; 2) basic standards for healthcare, data security, personal information protection and data sharing to be set; 3) the drafting of laws and regulations governing healthcare big data; and 4) strengthening of cooperation between healthcare providers and Internet companies.
- A new national association, the Chinese Intelligent Medical Association, has also been [established](#) to promote the integration of AI in medical practices.

China to [Enhance](#) Policy Support for Smart Car Development

The MIIT is set to release a directive to boost its smart car industry development.

- An inter-ministry coordination mechanism will be established, and smart car standards, traffic rules and laws on accident-incurred liabilities will be created.

Ministry of Industry and Information Technology (MIIT) [Invites](#) Foreign Investment in Semiconductor Industry

The National Integrated Circuit Investment Fund, a key state-backed semiconductor fund which has raised USD22bn for the sector, is looking to put together a second fund to support the development of the local semiconductor industry.

- China aims to reduce its dependence on the US for core tech components, especially semiconductors. The US gov't's decision to ban its companies from selling components to ZTE, which may have been [influenced](#) by ongoing trade tensions, is expected to be deeply felt by the equipment vendor.

ZTE, Chinese Govt [Appeal](#) Against US Business Ban

ZTE has applied to the US' Bureau of Industry and Security (BIS) to amend the seven-year business ban which will severely threaten the Chinese equipment vendor's core business.

- Chinese officials have also requested that the US gov't listen to ZTE's appeal and consider the company's efforts in rectifying its business practices.
- US President Donald Trump has indicated in a [tweet](#) that he is working with Chinese President Xi Jinping to “get ZTE back into business, fast”.

Impact Analysis: The US gov't is seemingly playing on the importance of ZTE to the Chinese gov't and economy, not just as a current market leader in telecom equipment, but also as a potential “national champion” in the global 5G arena, to extract a bargaining advantage in ongoing trade tariff negotiations with China.

Food Delivery Users' Data [Compromised](#)

Tencent-backed Meituan Dianping is [investigating](#) a possible data breach that has allegedly left the personal information of tens of thousands of users vulnerable. Alibaba's Ele.me is also facing a similar predicament.

- The breach was discovered by local media outlet Beijing News, which found that personal data was being sold over social media platform QQ.

Spending on Cybersecurity [Still Low](#)

Despite growing recognition of the far-reaching financial and reputational damages that cyberattacks can have on an organisation, cybersecurity company 360 Enterprise Security Group notes that China's cybersecurity spending accounts for less than 1% of total IT-related investments, compared to 10% in Europe and 15% in the US.

MOHRSS [Launches](#) Social Security E-Certificate Trials

The Ministry of Human Resources and Social Security (MOHRSS) has started issuing digital social security cards in cities including Fuzhou and Qingdao on a trial basis. The E-cards are linked to Alipay for medical payments and are protected by security features such as password and biometric recognition.

ZTE [Crippled](#) by US Ban

The equipment and smartphone maker has announced the cessation of its major operations following the seven-year business [ban](#) dealt by US Commerce Department's Bureau of Industry and Security (BIS), which led ZTE's assembly lines to experience shortages in key US components.

- Huawei is also [reportedly](#) under investigation for violating US trade sanctions against Iran.

✎ **Impact Analysis:** Despite China's heavy push towards tech self-sufficiency, the impact of the US business ban on one of China's top hardware maker is clear indication that the country is still far from achieving this. Heavy reliance on semiconductor imports and the market dominance of Android and iOS (the two [occupy](#) 99.9% of the global operating system market) leaves China's high-tech aspirations – 5G and AI development, for example, which have been elevated to national priority level – extremely vulnerable to external factors.

CAICT [Recognises](#) WeChat's Economic Contributions

The China Academy of Information and Communications Technology (CAICT) records that the social messaging platform boosted information consumption by CNY210bn (USD33bn) and provided employment to 20.3 million.

MIIT [Issues](#) Circular on Resale Mobile Services

The circular specifically notes the eligibility of "foreign-funded enterprises" to apply for an MVNO licence, marking the end of the pilot phase and injecting price competition into China's mobile industry.

Alibaba Cloud and ASL [Form](#) Strategic Partnership

To develop the cloud market in Hong Kong and Macau, Alibaba Cloud and Automated Systems Limited (ASL), an IT service provider in Hong Kong, are collaborating on building cloud security services and offering innovative cloud solutions to businesses.

- The partnership will see the formation of a joint solution lab, which will offer cloud solutions to a number of industries, such as healthcare, property and financial services.
- Alibaba Cloud will provide technical assistance to ASL on presales, solutions architecture and delivery.
- ASL is expected to build capacity for cloud talent through Alibaba's Cloud Associate and Cloud Professional certification programs.

HKMA Issues Guidelines on Application of Financial Technology in Credit Risk Management

The guidelines, issued after consultation with banks and tech firms, [allow](#) banks to use innovative technology to manage credit risks related to its personal lending business. As per the announcement, banks can segregate part of their personal lending portfolio as "New Personal Lending Portfolio" (NPP), which will not be subject to conventional lending requirements.

- For the purpose of managing credit risks and assessing repayment ability of the borrowers, banks can now use new techniques such as big data and consumer analytics, instead of requiring income proofs.
- Hong Kong Monetary Authority (HKMA) recommends that the NPP not exceed 10% of a bank's capital base and that the size of the credit granted to individual borrowers be small while the new technologies are being tested.
- This effort is in line with HKMA's Banking Made Easy Initiative, which is part of its seven Smart Banking initiatives announced in Sep 2017, and aims to improve customer digital experience by streamlining banking supervisory practices.

Citi [Announces](#) Open API Partnerships with Hong Kong Corporations

To accelerate the development of Open API technology, Citi entered into six strategic partnerships to offer consumers easy and speedy banking services. One of these initiatives is with HKTV mall, which helps facilitate instant check-outs for Citi credit card holders is already underway, with the other initiatives expected to be rolled out in the coming year.

Impact Analysis: This move aligns with HKMA's seven smart banking initiatives announced in Sep 2017, one of which was on Open API. Earlier this year, HKMA also [proposed](#) (through a public consultation) an Open API framework for the banking industry, which set out the deployment timeframe, technical standards, third-party service provider governance and maintenance models.

DoT [Launches](#) Draft National Digital Communications Policy Consultation

The Department of Telecom (DoT) has sought public comments on the Draft National Digital Communications Policy – 2018. The deadline for comments has been set for 25 May 2018.

- The draft has been broken up into different sections, where comments can be provided on specific sections in the online prescribed form, rather than for the entire draft.
- DoT plans to take new guidelines of the Policy to the Cabinet seeking a final say as soon as it receives feedback from stakeholders on the draft proposal.

India to [Consult](#) International Agencies on Spectrum Auction

TRAI, is consulting international agencies and experts, in order to finalise and release its recommendation on the spectrum auction. However, no specific timeframe for the finalisation of recommendations has been provided.

- The govt is planning to hold the largest-ever spectrum auction of 3,000MHz of radio waves in the upcoming sale. It has sought recommendations from TRAI on the applicable reserve price and related issues for auctioning spectrum in the frequency bands 700MHz, 800MHz, 900MHz, 1,800MHz and 2,100MHz, 2,300MHz, 2,500MHz, 3,300-3,400MHz and 3,400-3,600MHz.
- In the previous auction held in 2016, the govt had put a total of 2,354.55MHz of mobile airwaves for sale. However, nearly 60% of the radio waves, including premium 4G bands, remained unsold in that auction.

TRAI [Releases](#) Draft of Telecom Interconnection Regulation

Telecom Regulatory Authority of India (TRAI), has released the draft amendment of telecommunication interconnection where it has set a timeframe for provisioning of ports for initial interconnection and augmentation to be increased to a maximum 42 working days.

- The draft mentions that a service provider may request other service providers for additional ports at a Point of Interconnection (POI), if the projected utilization of the capacity of such POI at the end of 60 days from the date of placing the request, is likely to be more than 85% and such projected utilization of the capacity of POI shall be determined on the basis of the daily traffic for the preceding 60 days at the POI during busy hour.
- TRAI also stated that each service provider shall provide its forecast of busy hour outgoing traffic for each POI, at intervals of every six months, to the interconnecting service provider.

Walmart Buys India's E-Commerce Giant Flipkart for USD16bn

Walmart will [acquire](#) a 77% stake in a Bengaluru-based e-commerce company Flipkart for INR1000tn (USD16bn), which is its biggest acquisition ever. India is one of the most attractive retail markets globally, owing to its size and growth rate, and this investment will create an opportunity to fast-track transformation of e-commerce sector in India.

- Reportedly, Amazon was also competing to acquire Flipkart.

Impact Analysis: With the investment, Flipkart will leverage Walmart's retail expertise, grocery and general merchandise supply-chain knowledge and financial strength, while Flipkart's talent, technology, customer insights and agile and innovative culture will benefit Walmart.

Google to [Comply](#) with Local Data Guidelines in India

In light of the recent move by the India's central bank, Reserve Bank of India (RBI), that required all payment companies in India to store data locally by 15 Oct, Google has stated that it will work with the Indian govt and industry to map out the best possible policy for consumers.

- Google plans to follow local laws and legislation, so as to be compliant in India, and provide seamless flow of its services via search engine, YouTube, Android OS, and a digital payment services application Tez.
- Google will allow consumers to choose how much data the company stores, along with an option for taking it down.

- Indian enterprise spending on data centre infrastructure is expected to touch USD 2.7bn in 2018, representing a 2.6% increase from 2017.
- ↳ **Impact Analysis:** The proposed deadline by RBI is considered too short, for it is likely to disrupt the well-established global network and impact innovation. Further, storing data locally will require a lot of alteration to the existing infrastructure.

Reliance Jio to Rollout Jio Fibre in 2018

Reliance Jio is planning to provide commercial fixed-line broadband services within the year, with an objective to disrupt this segment of the telecoms market. The company began offering home broadband services in May 2017 to limited users in selected areas.

- The company is testing its fibre-to-the-home (FTTH) broadband services in Mumbai, Delhi, Ahmedabad, Chennai, Jamnaga among other cities.
 - The initial plan from Jio Fiber would offer users 100GB of free data per month at a speed of 100Mbps, post which customers can avail 40GB of free data in the form of top-ups, extending the disruption the company has brought in the telecom sector.
- ↳ **Impact Analysis:** While Internet users will be able to get affordable services, as Jio enters the FTTH market, there will potentially be price wars among the top players, making it difficult for competitors, including Airtel and Vodafone.

Blockchain Use Touted for Tax Transparency and Security

The Ministry of Communications and Informatics (Kominfo) [highlighted](#) the potential application of blockchain technology to improve transparency and security for Indonesia's online taxation system, OnlinePajak.

Draft Online Pharmacy Regulation in the Works

The Ministry of Health is [drafting](#) a regulation to regulate e-pharmacy businesses and address sales of unlicensed medicines.

- Under the draft regulation, only licensed offline pharmacies, drug wholesalers and drugstores will be able to establish e-pharmacies.

Impact Analysis: The regulation will impact delivery services, such as Halodoc run through Go-Med (one of the services Go-Jek offers), as it specifically prohibits the delivery of medicine by ordinary delivery services.

Kominfo to Simplify Licensing Services

Kominfo will [simplify](#) and streamline the current 37 permit types and two certifications for categorising services into five types of licensed services.

- The five streamlined permits will be: Network Permit, Service Permit, Postal Permit, Radio Frequency Permit, and Broadcasting Permit.
- Kominfo will also simplify the regulatory framework by drafting a single ministerial regulation to govern licensing services.

Go-Play Launch to Further Diversify Go-Jek Business

Go-Jek will further [expand](#) its platform offerings with a push into online video content.

- Go-Play, a subscription-based video streaming service, will be supported by Go-Studio, a production house focused on delivering Indonesian content.

Impact Analysis: Go-Jek's platform expansion into further on-demand services is complimented by its imminent Southeast Asia expansion. Go-Jek looks to take advantage of the recent Uber-Grab deal by potentially [partnering](#) with Singapore taxi group, ComfortDelGro.

Facebook and Kominfo Discuss Data Use, Content Curation

Following the recent public hearing questioning Facebook over misuse of data, Facebook [met](#) with Kominfo to address concerns.

- Kominfo stated Facebook agreed to: 1) address issues relating to Cambridge Analytica; 2) commit to handling negative content; 3) support police investigations; and 4) address hate speech and false news on the Facebook platform.

Kominfo Lifts Cap on Mobile Number Registration

Kominfo [lifted](#) the restriction on mobile phone number registrations per person.

- Previously, mobile phone numbers were restricted to a maximum of three per person.

Stricter Rules for Cryptocurrency Exchanges

The Financial Services Agency (FSA) is [reportedly](#) developing a five-point agenda to regulate the cryptocurrency sector to prevent a similar incident to the Coincheck heist. Anticipation of the regulations has led to a drop of more than 10% in cryptocurrency prices.

- The five-points for regulation of cryptocurrencies are: 1) Robust security standards such as the creation of 2-factor authentication for currency transfers; 2) Thorough know-your-customer processes for cryptocurrency exchanges; 3) Incorporation of best practices for asset management among cryptocurrency exchanges, such as daily checks on account balances and separation from corporate exchange assets; 4) Restrictions on privacy-focused cryptocurrencies which give complete anonymity due to its popularity for money laundering; and 5) Structure of exchange platforms and its operations, with clear organizational structure and separating shareholders from management to prevent insider trading.

Impact Analysis: No official announcement has been released as of yet, but increasing such regulations, while being able to boost confidence in Japan's cryptocurrency exchanges, might also increase operating costs.

India, Japan to [Boost](#) Partnership in Cybersecurity and Start-ups

MeitY Minister Ravi Shankar Prasad and Ministry of Economy, Trade and Industry (METI) Minister Hiroshige Seko met to discuss the creation of a start-up hub, to cooperate in cybersecurity and to exchange IT professionals.

- Prasad called for a complementary partnership between the two countries, utilizing the hardware expertise of Japan and the digital and software expertise of India.
- About 21 Japanese companies are investing about INR38bn (USD564m) in electronics manufacturing incentive schemes.

Cryptocurrency Exchanges Establish Association for Industry Regulation

To regain public trust, 16 FSA-registered cryptocurrency exchanges have established an industry association known as the Japan Cryptocurrency Exchange Association (Nihon Kasotsuka Kokangyo Kyokai) to impose self-regulations and stricter security measures. Problems in the sector often revolve around exchanges that have pending registration with FSA, however, and the association plans to provide advice to these exchanges as well.

- The association plans to become a self-regulated organization supported by law, and a formal agreement between the exchanges have reportedly been reached.
- It plans to create rules on security, in-house management, trading, advertisement, customer protection, in-house management, possible punishments against companies with lackluster practices and is considering a system for punished companies to file complaints.

Impact Analysis: The industry-led regulatory approach might allow cryptocurrency exchanges to balance the often-conflicting values of ease of operations with the need for regulations.

Personal Data Use by Public Organisations Study Group Releases Report

To [promote](#) the use of anonymized data among public organisations in order to improve service delivery to citizens, the study group which began in Jul 2017 has released its report of the meeting.

- The report highlighted that the use of anonymized data would facilitate economic development and the creation of new industries.
- A review of the current regulatory mechanisms for personal data and anonymized data will be conducted through interviews with public and private stakeholders, so as to better understand the landscape of data use and privacy.
- The report details future plans and various sectors where anonymized data would be useful, such as in healthcare and education sectors.

Banks and FRONTEO [Receive](#) FSA Approval for AI Development in Fintech Sector

MUFJ Bank, Resona Bank, Yokohama Bank and SMBC Nikko Bank, in collaboration with AI-developer FRONTEO had applied under the Fintech Hub Initiative established in Sep 2017 to develop FRONTEO's KIBIT AI technology, and has since received FSA approval. KIBIT will be developed to improve the customer support engagement efficiency of the banks and improve the sales of financial products.

- FRONTEO is a firm that specializes in data analytics, and is the developer of KIBIT.

Banking Giant SBI Group [Planning Launch](#) of SBI Cryptocurrency Exchange in 2018

SBI Group said that SBI Virtual Currencies, Japan's first wholly bank-owned cryptocurrency exchange, will be launched between Jun and Sep 2018 and will support Bitcoin, Ripple, Ethereum, Bitcoin Cash and other cryptocurrencies.

- SBI Group had first announced plans for a cryptocurrency exchange launch in 2016 but met with delays due to the need to strengthen security measures. It has since completed its registration with FSA.
- SBI Group has been active in investments in the cryptocurrency sector, with a 40% ownership stake in Taiwanese crypto cold wallet specialist CoolBitX and also led an investment round in bitFlyer, Japan's largest and best-funded cryptocurrency exchange.
- SBI also launched SBI Ripple Asia with Ripple to develop cross-border blockchain payments among banks in ASEAN and beyond.

NEC, NTT DoCoMo [Conduct](#) 5G Remote Medical Examinations

The experiment involved the real-time sharing of images taken by a 4K close-up camera, high-definition echocardiographic video and MRI images using a 4K video conference system between Wakayama Medical University and Kokuho Kawakami Clinic, transmitted over a 5G network.

Researchers from Osaka University [Claim Success](#) in Creating "Electronic Paper"

The paper-based electrochromic displays allow paper to be used as an electric display, with the possibility for paper-based electronic books in the future.

Toyota, Nissan [Face](#) Local Market Connected Car Woes

Compared to vehicle buyers in US and Europe, Japanese consumers are less likely to purchase connected cars, with only 10% of cars having embedded connectivity compared to 31% in Europe and 20% in China, according to consultancy SBD Automotive. As a result, automotive rivals such as General Motors have greater impetus to develop and produce connected cars due to its demand and to gain an edge over competitors, whereas carmakers in the Japanese market have to risk such technologies only giving a competitive advantage in their overseas markets.

- Instead of having built-in features in cars, Japanese consumers seem to prefer using their smartphones to the car system to access services such as music.

Impact Analysis: Reportedly, this slow adoption among consumers was similarly seen in the slow transition to smartphones, with a preference for flip phones instead. Due to slow local demand, Japanese brands had missed an industrywide shift to smartphones.

MDEC **Reiterates** Cloud Push

Malaysia Digital Economy Corporation (MDEC) [noted](#) the need to implement progressive guidelines to support its Cloud First strategy, and embark on its Trusted Data Zone initiative.

- MDEC has not provided specificity for the proposed guidelines.
- In Oct 2017, the govt [announced](#) a Cloud First strategy to drive public-sector cloud adoption.

➤ **Impact Analysis:** The focus on and pace of digital transformation of the public service in Malaysia will need to be reviewed in light of opposition coalition Pakatan Harapan, led by Tun Dr Mahathir Mohamad, claiming [victory](#) in Malaysia's recent general election.

DHL Invests in Malaysia Gateway

DHL Express will [invest](#) MYR11m (USD2.7m) in the construction of its Southern Malaysia Gateway, to support the movement of e-commerce goods.

➤ **Impact Analysis:** This move by DHL supports MDEC's push to [achieve](#) 21% e-commerce growth by 2020, and complements increased logistic support provided by the Digital Free Trade Zone (DFTZ) and the Alibaba Group.

Petronas and TM Partnership

Petroleum Nasional (Petronas) and Telekom Malaysia (TM) [signed](#) a cross-industry digital agreement to: 1) increase adoption of Petronas products by TM employees, including its SMARTPay services; 2) develop network infrastructure to support Petronas' retail network; and 3) collaborate on data centre services.

Ooredoo Myanmar Enters eSports Sector

Ooredoo Myanmar has [partnered](#) with Hall of Gamers (HOG), Myanmar's first eSports centre, to provide high-speed connectivity to players and competitors.

- Under the agreement, Ooredoo will provide high-bandwidth fibre broadband services to HOG at a special rate to support HOG's eSports tournaments.
- The operator will also set up a booth at the HOG eSports Centre to provide technical support.
- HOG opened in 2017 in Yangon as the first LAN gaming centre in Myanmar to promote the local eSports industry with activities including tournaments, festivals, and contests.

Impact Analysis: eSports is an emerging sector that several Southeast Asian nations are preparing to take over in the next decade. A leader in the region, South Korea's online gaming sector has grown by almost 15%, [reaching](#) KRW83bn (USD76.2m) in 2016. Revenue generated from VR gaming sales will reach an [estimated](#) USD22.9bn by 2020, up from the USD660m generated in 2015. With their large populations and constantly improving digital infrastructures, it is only a matter of time before emerging economies such as Indonesia, Myanmar, and Vietnam [take over](#) the market.

Telenor Myanmar and Ericsson Trial 1Gbps LTE-A

Telenor Myanmar and Ericsson have [completed](#) a trial of 1Gbps LTE-Advanced (LTE-A) services, demonstrating the ability to meet customers' growing demands for faster speed and better capacity.

- The trial utilised LTE technologies such as 256 quadrature amplitude modulation (QAM), 4x4 multiple-input multiple-output (MIMO), carrier aggregation, and licensed assisted access (LAA).
- According to Telenor, its customers' monthly average data usage of 4G has already reached 5.6GB and is increasing.
- The successful capacity trial of its LTE network makes Telenor confident its network will be able to meet future demand.

Govt to Tax Operators to Extend Networks and Services in Rural Areas

The Ministry of Transport and Communications [has announced](#) it is almost ready to start collecting a tax from telecommunications operators to expand the reach of networks and services in remote areas of the country.

- Section 54 of the Telecommunications Law allows the ministry to establish and supervise a Universal Service Fund to bring basic telecoms services to the 10% of the country that remain unconnected.
- Drafted with the help of a consultant from the World Bank, the Universal Service Strategy sets the tax at 2% of operators' yearly income.
- Deputy Director General U Myo Swe of the Department of Post and Telecommunication expects the Universal Service Fund to start collecting the tax in June.

Impact Analysis: The speedy implementation of section 54 demonstrates the government's commitment to lifting rural areas out of poverty. Small business owners from affected areas welcome this move, which should improve local economies. But it is unclear if clear deadlines and processes have been set for Myanmar's main operators to pay their share of the tax. Will payments be delayed? Will the funds be used as efficiently as they are collected? This remains to be seen.

Local Cloud Start-up [Gets](#) PCI DSS Certified

The hospitality cloud solutions provider STAAH is now Payment Card Industry Data Security Standard (PCI DSS) certified which means it can process credit card payments in a secure way.

GST Loophole to be [Closed](#) for Overseas E-commerce Companies

A company like Amazon or eBay will now have to [collect](#) GST on all goods sold to New Zealand consumers at the moment of sale, even those under NZD400 (USD279). The govt sees this as bringing fairness to the treatment of low-value goods sold by local and offshore retailers. The changes will come into force in Oct 2019.

- According to Customs, the fact that online retailers will collect GST including border security and biosecurity fees will simplify compliance and administration costs at the border. How the retailers pass the GST collected to the New Zealand govt remains to be worked out. The Inland Revenue Department (IRD) is expected to get extra resources for compliance enforcement.
- The Revenue Ministry expects 75% of retailers to comply with the new rules. That would mean NZD57m (USD40m) in revenue in the first year of the change, rising to NZD87m (USD61m) by 2022.
- Overseas online retailers that sell more than NZD60,000 (USD41,806) to New Zealand will have to register with the IRD and collect GST of 15% on their sales to New Zealand which will be passed on to the IRD.

[🔗 Impact Analysis:](#) The move is probably not going to help mom and pop retailers, like small bookshops, compete with the likes of Amazon on things like price.

Report on Telecommunications (New Regulatory Framework) Amendment Bill [Released](#)

The Economic Development, Science and Innovation Committee has read the Amendment Bill and [recommends](#) its passage with some changes, including the establishment of a new fibre regulatory fixed line framework from 2020 on while retaining copper fixed line regulations where no fibre services exist, removing copper regulations where fibre alternatives exist, shoring up consumer safeguards, improving response time to competition problems and increasing regulatory oversight of retail service quality.

- Chorus, in its [response](#), likes some changes, dislikes others. Those it welcomes include the treatment of Crown financing arrangements for UFB construction, the two-year window for devising and implementing the new regulatory framework, and an exemption power for legacy business line restrictions. It is unhappy that the anchor service pricing will be based on a 2014 price path for Chorus's commercial 100/20Mbps fibre product as it feels this is unnecessarily restrictive.
- The Committee has backed keeping the separation between fibre wholesalers and retailers. That could stop Chorus from moving beyond being a wholesale player.
- The Committee wants UFB (Ultra Fast Broadband) providers to limit their cost recoveries to actual costs and it noted the Bill does not provide specific guidance for treating the govt's investment in the UFB.
- Vodafone is disappointed the Committee did not ask Commerce Commission (ComCom) to set pricing for fibre network unbundling.
- The Bill will now progress to a second reading and a Committee of the Whole.

[🔗 Impact Analysis:](#) There remains a lot of work to be done to get the Bill passed. It is no certain thing that the final framework will remain unchanged from its current form. Different telco players will be considering the proposed changes and trying to influence the outcome.

ComCom to [Start](#) Seeking Future Fibre Regulation Feedback

It will start reaching out to the telecom sector to get their feedback on ways to fund the new fibre regulatory regime which will be a utility-style approach similar to what is used for energy networks and airports. In a discussion [paper](#), ComCom estimates the new regime will cost NZD12m (USD8m) to

implement over three years. ComCom might also create consumer groups to increase the level of consumer input into the new regulatory processes.

- ComCom is also undertaking a [study](#) of fibre services, network operations and business practices. It will eventually publish a high-level summary of its findings. Fibre networks in New Zealand are being built by Chorus and three local fibre companies.
- Spark is selling 50% of fibre network builder Connect 8 to electricity distribution company Electra Group.

App from Electricity Network Provider Vector Revealed Customer Data

The app called Outage has been [found](#) to reveal the private data of 24,000 customers. The app is designed to give customers a heads-up about power outages, when a storm will knock out power to thousands of customers. A capable computer expert can use a proxy server to access Vector customer data.

- Vector has said it might take media agency Stuff to court because it refuses to turn over the data given to it by a whistleblower in the story over the Outage data leak.

Alibaba and Fonterra [Team Up](#) on Blockchain Project

Fonterra will pilot Alibaba's Food Trust Network to improve supply chain traceability and transparency. Fonterra, along with Blackmores, Australia Post and New Zealand Post are working with Alibaba on a framework to protect product authenticity, when shipping foodstuff from New Zealand and Australia to China.

[Impact Analysis](#): If successful, the framework could serve as a global model for authenticating, verifying, recording the transfer of ownership and provision of products and goods.

Chorus [Welcomes](#) 5G to Eliminate Digital Divide

It has laid out its response to a Ministry of Business, Innovation and Employment (MBIE) request for industry responses to the challenges and opportunities of 5G deployment. Chorus believes 5G will play an important role in closing the digital divide but feels because of the challenging 5G economics a "business as usual" deployment by the three incumbent mobile operators is not likely to succeed in a broad deployment that would cover rural areas. Commercial operators will concentrate first on cities while neglecting rural consumers.

[Impact Analysis](#): New Zealand might more aggressively start exploring its options to support as broad a deployment of 5G as possible. This might include some public sector role in a national 5G network as mooted earlier this year in the United States.

Nokia and TeamTalk to Work on Using Cars for Critical Communication Base Stations

The two will [partner](#) on a solution for emergency service responders that focuses on edge private LTE and IoT technologies.

Vocus [Stops](#) Sale Discussion of New Zealand Assets

Its board has, after deliberations, decided it is in the best interests of shareholders to keep the New Zealand telecom business and not sell it off. Vocus had announced back in Oct 2017 that it would dispossess its New Zealand operation. In New Zealand Vocus owns subsidiaries Slingshot, Orcon, CallPlus and fibre optic firm FX.

NTC Drafting Rules Requiring Telcos to Provide Daily Notifications of Prepaid Balances

The National Telecommunications Commission (NTC) is [drafting](#) a memorandum circular requiring telcos to notify customers daily of their prepaid balances and allow subscribers up to 30 days to file complaints on unauthorized deductions.

- The draft memorandum circular is targeting release in Jun or Jul pending consultations with the industry and consumer groups.
- The NTC has also released [guidelines](#) on electronic billing giving users the option to either be billed electronically or to receive the billing statements on paper at no additional charge.

Cryptocurrency Operators Permitted in Economic Zone

10 cryptocurrency operators from Japan, Hong Kong, Malaysia and South Korea have been granted [licenses](#) to operate in the Cagayan Economic Zone Authority (CEZA) and enjoy tax perks.

NPC Investigating Govt Website Breaches

The National Privacy Commission (NPC) has [summoned](#) officials of seven schools, institutions, and local govt units did not fulfil their obligations as Personal Information Controllers (PICs) under the Data Privacy Act of 2012 to notify within 72 hours the breach of an estimated 2,000 data subjects.

- On 1 Apr, an organized attack on govt and commercial organizations led to a breach of personal data which was posted online via Facebook.
- Fast-food operator Jollibee has been ordered to [suspend](#) operations of its online sites following an investigation by the NPC finding Jollibee's website vulnerable to unauthorized access.

Ride-hailing Taxis Can Now be Rated by Passengers

Newly accredited Transport Network Companies (TNCs) cabs will now allow passengers to [rate](#) them through official apps to allow operators better identify abusive drivers.

- Grab has [cited](#) the lack of sufficient cars coupled with overwhelming demand as the reasons for long waits and higher fares for passengers, and has urged the Land Transportation Franchising and Regulatory Board (LTFRB) to approve the 6,000 Uber drivers that had been omitted from its audited masterlist of approved drivers.
- Following the Grab-Uber merger, the LTFRB is processing the accreditation of three local ride-sharing companies Go Lag, Owto, and Hype to ensure Grab will not monopolize the market.

Tarlac Targeted as the First Green, Smart City by 2019

The country's first smart, green, and resilient city will be built on the latest technologies for greater efficiency and connectivity and will be dubbed [New Clark City](#). The City plans to feature the latest innovations, including eco and climate-friendly technologies for transportation, traffic, security, safety, and connectivity.

- Phase 1 will house the National Government Administrative Center (NGAC) and will interconnect govt offices.
- The project has been prioritized by President Duterte's "Build Build Build" program and will host the swimming and track and field competitions of the 2019 SEA Games.

Singapore and Brunei Darussalam [Enhance](#) Cooperation in Financial Innovation

The Autoriti Monetari Brunei Darussalam (AMBD) and the Monetary Authority of Singapore (MAS) signed a Fintech Cooperation Agreement (CA) to foster innovation in financial services between both countries.

- The Fintech CA will facilitate the sharing of information on emerging fintech trends and developments, with the establishment of a framework providing support for fintech companies to better understand the regulatory regime and opportunities in each jurisdiction.
- Beyond the Fintech CA, both authorities will work together to enhance the retail payment ecosystem and which will be guided by a cooperation framework that will provide mutual benefits to businesses and consumers.

MAS, EDB, IMDA and IBF Collaborate to Boost AI Ecosystem

MAS is [collaborating](#) with Economic Development Board (EDB), IMDA and the Institute of Banking and Finance (IBF) to extent the adoption of AI in Singapore’s financial sector.

- The collaboration aims to strengthen the AI ecosystem where the agencies will jointly facilitate R&D of new AI technologies and adoption of AI-enabled products.
- The MAS-EDB partnership will encourage leading AI solution providers to conduct both upstream research and product development activities for the financial sector, MAS-EDB-IMDA to facilitate link-ups between players in the financial and technology sectors and MAS-IBF-IMDA to strengthen AI capabilities and skillsets in the financial sector

MAS and SBV Partner for Financial Innovation and Banking Supervision Enhancement

MAS and the State Bank of Vietnam (SBV) [signed](#) a new MoU to promote fintech innovation, enhance financial inclusion and to strengthen cooperation in banking supervision.

- The new MoU encourages the sharing of information on emerging fintech developments and also to better understand the regulatory regime and opportunities between the two countries.
- A revision on the existing MoU was also signed to enhance cooperation in crisis management has also been revised under the existing MoU that supports both regulators’ shared commitment to safeguarding the financial sectors.

Initiative to Fast-Track Fintech Patent Application-to-Grant Process

A Fintech Fast Track initiative has been [launched](#) by the Intellectual Property Office of Singapore (IPOS) to provide an expedited patent application-to-grant process for fintech inventions to as quickly as six months, compared to at least two years for normal applications.

- The initiative will complement the MAS’ SGD225m (USD169m) Financial Sector Technology and Innovation (FSTI) funding scheme, aims to encourage fintech enterprises and start-ups to develop solutions and to operate effectively within Singapore’s financial infrastructure and regulatory policies.
- Fintech areas covered under the Fast Track initiative include, but not limited to; electronic payment, investment platforms, insurance technology, blockchain and banking and security, fraud and authentication.

Singtel and Razer [Partner](#) on Connected E-Payment Networks in SEA

Singtel and Razer signed a MoU to collaborate on electronic payments to make their current systems interoperable that will create one of the largest connected e-payment networks in Southeast Asia.

- The collaboration [covers](#) e-payments, e-sports and gaming-related digital media, and telecommunications services. This interoperable platform also allows other third-party payment apps to be able to connect.
- Singtel’s mobile wallet users and its regional associates will be able to access Razer’s zGold virtual credit system and Razer’s full suite of gamer-related digital services.



- Razer announced its intention to acquire MOL Global for SGD81m (USD60m) with the latter's online payment gateway used by major companies such as Lazada, Grab and Uniqlo.

Govt to Invest KRW1.35bn in 3D Printing for Medical Instruments

The Ministry of Science and ICT (MSIT) will invest KRW1.35bn (USD1.2m) to help [develop](#) 3D printing technology for use to manufacture various medical instruments including rehabilitation devices and artificial bones.

Upbit Opens Korea's First Cryptocurrency Index

The Upbit Cryptocurrency Index (UBCI) [offers](#) 45 different kinds of index under four broad categories: the market index, theme index, strategy index and reference index, with the aim of allowing investors to quickly assess movements in the cryptocurrency markets.

BOK Mulls Issuing Central Bank Digital Currency

The Bank of Korea (BOK) is [studying](#) cryptocurrencies including issuing a central bank-backed digital currency, and will announce its findings and recommendations in Jun.

- The BOK is aiming to become a cashless society by 2020.

5G Auctions Scheduled for Mid-Jun

The MSIT will be holding an [auction](#) on 15 Jun for the 3.5GHz (3,420-3,700MHz) and 28GHz (26.5-28.9GHz) bands. Applications will be open on 4 Jun, where all three major telcos – SK Telecom, KT, and LG Uplus – will participate.

- A minimum bid price of KRW2.65tn (USD2.5bn) has been set for the 3.5GHz frequencies, which will be offered for use for an initial ten-year period, while a block in the 28GHz band will cost KRW621.6bn (USD577m) for a five-year licence with all new spectrum set to be available for use from Dec.
- Each telco will also only be allowed to bid for a maximum of 100MHz in the 3.5GHz band, and 1,000MHz in the 28GHz band.

Impact Analysis: The new auction rules prevent SK Telecom from using its finances to bid for more spectrum, which will prevent prices from rising too steeply. Telcos are facing pressure from both ends of the market now, from the govt to offer cheaper plans, and from investors and shareholders on investing and rolling out 5G networks.

SK Broadband Launches 2.5Gbps Residential Internet

Homes which sign-up for the [service](#) can do so using existing cables, and the company claims users will get an average speed of 833Mbps.

- SK Broadband plans to launch 5Gbps and 10Gbps services in H2 which will also utilize the same Gigabit-Passive Optical Network (GPON) technology.

Telcos Protest Govt's Proposed Universal Fare Plan

The three major telcos SK Telecom, KT, and LG Uplus have jointly [protested](#) against the govt's proposed revision of the Telecommunications Business Act to require SK Telecom to introduce a universal fare plan of 200 mins of voice calls and 1GB of mobile data for around KRW20,000 (USD19).

- Under the proposal, the universal fare plan would be revised every two years, but the three telcos have complained that such a move would force them into a price war.
- A report from Finnish-based Rewheel [claims](#) that South Korea has the second highest data charges in the world at an average cost of USD17 for 1GB of mobile data. Telcos have objected to the findings saying the plans surveyed were not popular plans, and also did not include the 25% discount offered by the telcos.

China-Sri Lanka Free Trade Agreement Gains New Momentum

A Yunnan govt delegation recently re-affirmed China's commitment to the China-Sri Lanka Free Trade Agreement (FTA), highlighting the mutual benefits of bilateral trade and commerce.

- With a GDP of USD235bn, China's Yunnan province is a fast-growing economy and a major logistical hub.
- Its capital, Kunming, is not only the closest Chinese province to Sri Lanka, it is also a major logistics hub that is pivotal in China's ambitious One Belt-One Road (OBOR) initiative.
- In this context, the Yunnan govt is looking to partner with Sri Lanka in the agriculture, bio-pharma, and tourism sectors, as well as to cooperate in plant breeding and development.
- Rishad Bathiudeen, Sri Lanka's Minister of Industry and Commerce, recognised the many short- and long-term economic benefits of finalising the terms of the FTA, and reassured the Chinese delegation that the process is currently underway.

Impact analysis: According to the Department of Commerce, Sri Lanka's total trade with China was USD4.4bn in 2016 and increased by 3% to USD4.6bn in 2017. Almost 95% of bilateral trade between the two economies currently consists of imports from China to Sri Lanka, something that Sri Lanka is keen to change via the new FTA. Will this new momentum allow Sri Lanka to put its terms in writing and start negotiating with China? Or will the recent internal spats between the Sri Lankan President and Prime Minister delay the process further?

UNDP Partners with Cisco and Citi to Conduct E-learning Programmes Across Sri Lanka

The United Nations Development Programme (UNDP) in Sri Lanka has [partnered](#) with the National Youth Services Council (NYSC), Cisco, and Citi to conduct e-learning programmes in 20 locations across Sri Lanka.

- The programme aims to strengthen the youth's ICT skills and knowledge, equipping it with the financial tools and entrepreneurial knowledge of the digital age.
- Cisco will be delivering entrepreneurship courses to some 1,000 youths, using interactive and online materials to walk participants through the development of a digital business.
- Citi, meanwhile, will work with young entrepreneurs to explore the financial tools at their disposal to viably and sustainably grow their business.

Microsoft and Taiwan [Partner](#) to Develop Mixed Reality Technology

As per the agreement, Microsoft will give Taiwan access to its technology solutions such as chatbot, robotic process automation and cognitive services, and may also potentially work with Taiwan on 5G development for smart cities and smart manufacturing applications.

- This move is followed by other recent collaborations Microsoft has entered into for building an AI research and development centre in Taiwan and developing IoT solutions.

Taiwan's Supercomputer Begins Operations

Taiwan's supercomputer, [built](#) by Ministry of Science and Technology (MOST)'s National Applied Research Laboratories (NARLabs), will play an important role in promoting the country's technology development. The operating power of the supercomputer can benefit a number of industries such as healthcare, by expediting the research on Parkinson's and Alzheimer's disease.

Taiwan Govt [Shows](#) Support for Start-ups

Premier Lai Ching-te announced the establishment of an action plan to improve the investment and operating environment for start-ups. This would entail ensuring access to early-stage capital, developing talent, fine-tuning regulations, building strong partnerships with start-ups, giving start-up investors the opportunity to exit, and helping start-ups enter and succeed in the global market.

MediaTek [Receives](#) Approval to Sell Components to ZTE

The govt has granted the Taiwanese chip designer MediaTek permission to export its components to Chinese telecoms equipment maker ZTE. This move follows a seven-year ban by the US govt on American companies from selling to ZTE. However, ZTE's most recent announcement on 9 May to [suspend](#) its major operating activities due to the US export ban may impact MediaTek's exports as well.

Line Mobile [Extends](#) Services to Taiwan

Using Far EasTone's mobile network, Line is now offering data and voice services in Taiwan, the third Asian market to have these services after Thailand and Japan. The Line messaging app is already being used by 19 million customers in Taiwan, which is a significant part of Taiwan's total population.

NCC Warns Price War Could Slow 5G Development

Chunghwa Telecom's [introduction](#) of low-cost unlimited 4G data and voice plans, followed by similar moves from rival telcos such as Taiwan Mobile, Far EasTone Telecommunications and Asia Pacific Telecom, led the National Communications Commission (NCC) to highlight the negative impact this price war could have on innovation and 5G development. As per the NCC, this could hamper sustainable development of the telecommunications industry in Taiwan.

Digital Currency Law [Takes Effect](#)

The royal decree, which defines digital currencies as digital assets, has been published in the Royal Gazette on 14 May.

- The Security Exchange Commission (SEC) will regulate cryptocurrency transactions.
- Unregistered brokers and those found to be making unauthorized transactions will be punished with fines and a jail term.

McAfee, ThaiCERT [Cooperate](#) to Analyse Compromised Servers

McAfee's global hacking campaign, Operation GhostSecret, has found that servers located in Thailand had been used by North Korea's state-sponsored hackers in recent cyberattacks that targeted critical infrastructure users and enterprises on a global scale.

- Thailand's Computer Emergency Response Team (ThaiCERT) has [seized](#) the servers involved in Operation GhostSecret. One server had been hidden in Bangkok's Thammasat University, which also hosted the control server for the attack on Sony Pictures in 2014.

Govt [Organises](#) Cybersecurity Meeting, Assigns Six CII Categories

Thailand organised the "National Cyber Security Preparatory Committee No. 1/2561", discussing four key issues: 1) the framework of national cybersecurity plans and policies; 2) national guidelines for critical information infrastructure (CII) protection; 3) guidelines for developing cybersecurity personnel; and 4) guidelines for the establishment of a central coordination and cybersecurity agency, the Cybersecurity Agency (CSA), to ensure that national cybersecurity is in line with international standards.

- The meeting [approved](#) six areas as CII: 1) National Security and Public Service sector; 2) Financial sector; 3) Information Technology and Telecoms sector; 4) Transport and Logistics; 5) Energy and Utilities and 6) Public Health.
- The Electronic Transactions Development Agency (ETDA) and Thailand Computer Emergency Response Team (ThaiCERT) will [work](#) with a temporary CSA whilst a permanent CSA is being established.
- A THB350m (USD11m) fund will be set up to train 1,000 cybersecurity personnel.

True [Launches](#) QR Payments App

The True Merchant 4.0 app targets traditional merchants that have not adopted e-payments, and aims to hit 100,000 merchant downloads in 2018.

Environment Ministry to [Manage](#) Greenhouse Gas with Big Data

The Thailand Greenhouse Gas Emission Inventory System (TGEIS), when launched, will monitor emissions from five sectors: 1) energy and transport; 2) industry; 3) waste management; 4) agriculture; and 5) forest and land use. Captured data will be analysed and verified by the Office of Natural Resources and Environmental Policy and Planning (Onep).

- The big data will be used to gauge whether either incentives or financial penalties need to be dealt out, and help Thailand fulfil its commitment to reduce greenhouse gas emissions by 20% by 2030.

Financial Penalties to be [Imposed](#) on ISPs for Service Disruptions

The regulator plans to fine ISPs THB20,000 (USD629) a day for disruption faced by their fixed broadband subscribers and offer compensation to affected subscribers.

- ISPs will also need to set up call centre facilities to respond to customer complaints.

1800MHz Pre-Auction Process [Commences](#)

Interested bidders are required to submit their documents to the National Broadcasting & Telecommunication Commission (NBTC) on 15 Jun, and qualified bidders will be announced on 2 Aug.



- The auction will be [held](#) on 4 Aug and a reserve price of THB37.45bn (USD1.18bn) will be set for each of the three 30MHz blocks, based on the winning bids from the 2015 auction.
- Licences will be valid for 15 years and licensees will be required to reach 40% population coverage in four years and 50% coverage after eight years.

Draft Circular Amending Contracts in Telecommunications

This draft circular [makes changes](#) stipulating certain contract terms which must be adhered to for telecommunications providers, including how certain contracts between businesses and consumers should be implemented/worded, including stipulating quality of service as advertised/announced, ensuring consumer confidentiality when sharing/transferring info to third parties.

- Deadline for responses is 18 Jun 2018.

Telcos May Lock Mobile Accounts Without Accurate User Data

Government Decree 49/2017/ND-CP issued in Apr 2017 [stipulates](#) all mobile subscriptions have to have accurate owner information, including name, identification or passport number, and a profile picture, or risk deactivation after 15 days. This has [caused](#) both a customer rush to service centres to update their particulars, and also raised questions on the security of personal information now owned by telcos.

🔗 **Impact Analysis:** Telcos have pledged to [protect](#) customer data as regulated in Government Decree 174/2014/ND-CP, but public concern about data leaks has been rising - especially given Vietnam's poor track record against cyberattacks.

Ministry of Finance Report [Reveals](#) Facebook and Alphabet Pay "Chump Change" Tax

The report stated that the two companies only paid USD5.28m in taxes in Vietnam via their partners, when financial experts said that their actual tax obligations would have extended the state budget by "thousands of billions of VND".

🔗 **Impact Analysis:** There is an increasing anti-globalisation chorus rising from the perceived lack of accountability and tax obligations from multi-national companies, especially those which use cross-border transactions to collect payment, and thus "evade" local tax obligations. Multi-national companies should take some remedial action to mitigate this feeling in Vietnam.

MIC [Releases](#) Draft Circular on Guiding the Implementation of the Information Technology Program 2016-2020

The implementing circular for the IT Program 2016-2020 has been released for comments. The Ministry of Information and Communications (MIC)'s circular mainly deals with how technology parks and investment are to be determined. There are also specifics regarding the interoperability of certain systems to be built (e.g. e-govt system) which has cross-listed a range of other existing laws.

🔗 **Impact Analysis:** This is a good document/example to show that the Vietnamese govt is trying to ensure interoperability in systems, as well as ensuring that laws don't get unnecessarily duplicated or contradicted.

Draft Cybersecurity Law May Limit Vietnam's Digital Economy

The draft cybersecurity law is [expected](#) to be discussed and finalised or passed at the May 2018 National Assembly meeting.

🔗 **Impact Analysis:** A number of groups have come out against some provisions around data localisation, saying that it will limit the growth of Vietnam's digital economy and businesses, as they will be cut-off from ICT products that they will need to grow globally.

MIC [Releases](#) Draft Circular on Public Utility Telecommunication Services

The draft details the list, beneficiaries, scope, quality, maximum charge rates of public-utility telecommunications services and support levels required.

🔗 **Impact Analysis:** This will impact businesses who have a public utility telecommunication service license.



TRPC is a boutique consulting firm which specialises in telecommunications and information technology, particularly the policy and regulatory issues associated with national information infrastructure development, with an emphasis on the Asia-Pacific region. We offer specialised advisory, research, and training services, with a focus on economics, regulatory and strategic business issues, and possess an extensive network of industry experts and professionals throughout the region.

For more information, please visit us at www.trpc.biz