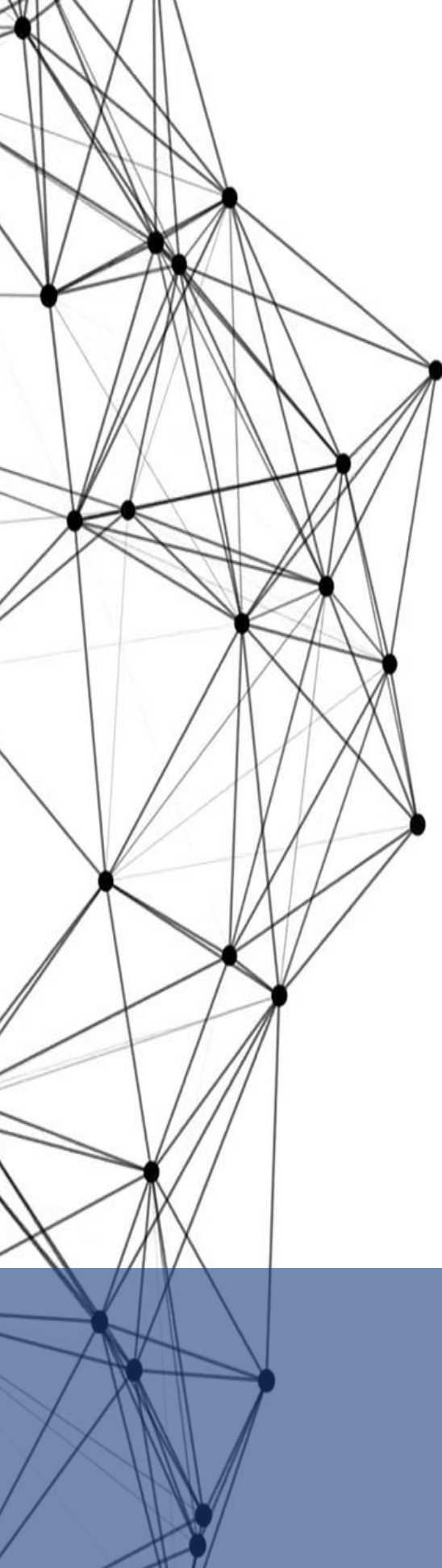


JULY 2018



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### DTA [Introduces](#) New Whole-of-Govt IBM Cloud Services Purchasing Agreement

The agreement will make it [easier](#) for govt agencies, including corporate and non-corporate Commonwealth entities, to buy commonly used IBM products and services. This includes cloud services, at better value for money and greater flexibility through a coordinated approach.

- The five-year agreement is worth about AUD1bn (USD747m) and will deliver AUD100m (USD75m) in savings through a coordinated process in dealing with a significant IT vendor relationship with IBM. This is said to be the largest IT contract the federal govt has ever signed.
- IBM will kick off local R&D centres in Melbourne, Gold Coast, and Canberra to work on blockchain, AI, and quantum computing efforts. IBM will work with the Australian govt by giving it access to its “Building Digital Capacity” toolset.

🔗 **Impact Analysis:** This is another part of the DTA’s work on drafting a new digital panel policy and sourcing framework. The approach with IBM is similar to the one the govt has used with Microsoft for commonly used digital products and services.

### Cloud Panel [Refresh](#) Until 30 Jul

New cloud service providers can submit an [application](#) to join the govt’s Cloud Services Panel. To date, 138 govt agencies have issued quote requests through the panel and there are 800 registered users. The panel is focused on adding new services each month while updating existing services, to reflect the dynamic and rapid pace of cloud service innovation.

🔗 **Impact Analysis:** Starting in 2019, the Cloud Services Panel will open every three months, making use of online submissions and agile evaluation methods to simplify and speed up the application process.

### Govt [Consulting](#) on Part A of Consumer Safeguards Review for Future Telecoms Market

The govt is preparing the consumer protections framework for telecom services and has released a discussion [paper](#) that recommends the establishment of an independent external dispute resolution body for complex complaints. The new rules are meant to hold telcos accountable while pressuring them to resolve consumer complaints quickly and effectively. Submissions are welcome until 3 Aug.

- The Telecommunications Industry Ombudsman (TIO) recorded 158,000 complaints last year compared to 2,000 complaints recorded by the New Zealand Telecom Dispute Resolution service and 9,000 complaints recorded in Canada.
- Discussion papers for Parts B and C will be released shortly.

🔗 **Impact Analysis:** The establishment of another dispute resolution body seems redundant and unnecessary when Australia already has a TIO to aid consumers struggling with the switch to the NBN. Telcos gripe about being charged by the TIO for every complaint it handles.

### [Consultation](#) on Data Sharing Legislation Starts

The govt has [issued](#) a “New Australian Government Data Sharing and Release Legislation Issues Paper for Consultation” as it addresses the barriers within govt to greater data sharing. A new legislation would set up a consistent and appropriate way for data sharing, protect data integrity, build trust in the use of public data, and set up the necessary institutional arrangements. Feedback is welcome until 1 Aug.

- Barrier cited are “inconsistent requirements, a culture of risk aversion, and other complexities”.
- Accredited bodies such as data custodians, accredited data authorities, and trusted users might be created. Expressions of interest are now [open](#), until 20 Jul, for positions on the National Data Advisory Council (NDAC).
- The chairman of the Productivity Commission in a [speech](#) on data protection, suggested the potential of a property rights approach to the trading of digital data assets. Turning markets into mechanisms for effective and efficient resource allocation through consumer data exchanges. The chair also mentioned the idea of forcing companies to list the parties with whom they are sharing consumer data or be punished.

↳ **Impact Analysis:** The govt is trying to build a system that allows for the sharing of data in a trusted and secure manner. That is not so easy to accomplish.

### **The Copyright Amendment (Services Providers) Bill 2017 [Passes](#)**

The new law extends safe harbour regime to organisations like schools and universities. There are also updates to some of the language, replacing "carriage service provider" with the more eponymous "service provider", which includes cloud as a means of "online systems and networks".

↳ **Impact Analysis:** The govt will through consultation think of extending safe harbour regime to other sectors.

### **Online Safety Review [Starts](#)**

The govt is launching two reviews of Australia's online safety legislation. One is a review for the effectiveness and relevancy of the Enhancing Online Safety Act 2015 which lays out the Office of the eSafety Commissioner powers and functions. The other is a review of Schedules 5 and 7 of the Broadcasting Services Act 1992 which regulate Internet content services industries for prohibited content, looking at best practice approaches.

- Submissions are welcome until 25 Jul, with a report to the govt in the second half of 2018.

### Alibaba [Ranks](#) Fourth as World Cloud Service Provider

Latest market report from Synergy Research Group has found that Alibaba Cloud pulled ahead of IBM to become the fourth biggest service provider worldwide after Amazon, Microsoft, and Google.

- Headquartered in Singapore, the company also has the second largest market share in Asia Pacific following Amazon.
- The company will provide an integrated cloud computing platform and data centre service to support the 2022 Beijing Winter Olympics.

### MIIT Publishes Blockchain Standardisation Committee Formation Plan

Following the announcement in late May to establish a National Blockchain Standardisation Technical Committee by the end of 2018, MIIT published a [notice](#) providing detail on the formation of the Committee for public comments. The notice outlines the key focus areas of standardisation, the proposed composition of the Committee, and the post-establishment work plan.

- Apart from establishing key blockchain standards, the work of the Committee will include pilot-testing standards and their related applications, incubating potential technical projects, providing training on standardisation as well as participating and steering the development of international blockchain technology standards.
- The public can provide their views by 27 Jul.

**Impact Analysis:** Despite stamping out cryptocurrency trading completely in China, the govt recognizes the importance of the underlying blockchain technology that can be widely adopted in other sectors such as logistics, banking, and healthcare. By creating a national standardisation technical committee, the govt will not only accelerate the development of a comprehensive framework and critical standards locally to drive the deployment of blockchain applications, but will also proactively contribute to the discussion of international standards development where other countries can reference China's blockchain standards system.

### MPS Releases Draft [Regulations](#) on Classified Protection of Cybersecurity

The draft regulations constitute an update of the Multi-level Protection Scheme that was first enacted in 2007, where information networks operating in China are classified into five levels of security grades. Networks belonging to a higher tier in terms of network security concerns will be subjected to more stringent requirements and heightened obligations.

- The draft regulations will apply to all information networks including mobile internet, cloud computing system, IoT, and cover cybersecurity protection for basic infrastructure, network operations and data.
- The draft consists of 70 articles and lays out the definition for the five tiers of security grades, the general and specific protective measures applicable to networks of different security grades and networks that handle confidential information. Provisions on the management of password, monitoring procedures carried out by the regulatory authorities and the legal responsibilities of network operators are also included.
- Consultation period will end on 27 Jul.

### NTIA [Rejects](#) China Mobile Service Licence Application

After consulting with the Trump administration, the National Telecommunications and Information Administration (NTIA), a branch under the US Department of Commerce, [recommended](#) that the FCC disapprove China Mobile's request submitted in 2011 to provide common carrier services on the grounds that it will jeopardize US national security.

- This will effectively ban China Mobile from providing facilities-based services and interconnecting with US telecom networks to carry international traffic between US and other countries.

**Impact Analysis:** China Mobile is the latest company being banned from providing telecommunication services in the US after sanctions imposed on ZTE and Huawei under investigation for violating Iran sanctions. This will inevitably intensify the tensions between the

two countries. The trade war where the US imposes tariffs on USD34bn worth of goods from China has started and is highly likely to extend into a tech war. The recent [blocking](#) of Micron Technology from selling semiconductor products including DRAM memory chips in China due to violation of patent rights could be a move in response to the rejection of China Mobile's application.

#### **China Unicom and Huawei [Form](#) 5G Strategic Partnership**

Under the partnership, the duo will collaborate on end-to-end 5G technical verification, incubate 5G services, and cooperate with other industry partners to establish an ecosystem. Huawei and China Unicom, in their jointly published white paper, also highlighted challenges of 5G indoor network deployment and the importance of upgrading indoor networks from 4G to 5G; an area where they can leverage each other's strength to achieve efficient network evolution.

- Huawei plans to [launch](#) its standalone 5G network in Apr 2019.

**HKMA [Signs](#) Cooperation Agreement with FSRA of Abu Dhabi**

The collaborative fintech agreement between the regulatory authorities aims to foster the growth of financial services in both Hong Kong and Abu Dhabi through information sharing, encouraging fintech innovation, and market expansion. HKMA and FSRA will discuss an initiative on cross-border trade finance network with the use of distributed ledger technology.

**FSDC Publishes [Report](#) on Digital ID and KYC Utilities**

The FSDC has conducted a study to examine the technological and regulatory infrastructure for digital ID and electronic-KYC. The institution was established as a cross-sectoral govt advisory body to propose strategies to enhance the development of the financial services industry.

- The Council recommended that the govt revise its current regulations to facilitate non-face-to-face account opening in the financial sector and provide support through the future e-ID system and sharing of trusted data.
- Also, a KYC utility should be established to fulfil the due diligence requirements while a designated working group should be set up to work out the regulatory framework, governance structure, and issues related to data quality, and data privacy.

**Octopus and Paypal [Collaborate](#) on Mobile Top-up Service**

The service launched by the two digital payment operators allows users of O!ePay Plus/Pro accounts to transfer funds to their PayPal accounts and gain access to 19 million merchants under PayPal's global network.

- Statista forecasts that Hong Kong's e-commerce market will grow to HKD45.2bn (USD5.8bn) in 2022, and this new service will add to online shoppers' convenience as local customers can have the option of topping up their PayPal account using cash or bank transfers rather than credit cards.

**Impact Analysis:** While 14 million transactions are made on the near-ubiquitous contactless Octopus Card per day, Hong Kong people have been slow in adopting mobile payment. A recent [survey](#) conducted by the Productivity Council indicated that only 29% of the respondents have used a mobile payment system. Given locals' reluctance to make use of the new technology and the keen competition from other mobile payment platform such as Alipay and WeChat Pay, it remains an uphill battle for O!ePay to boost the number of users despite the newly added service with Paypal.

### Telcos [Oppose](#) TRAI's Public Wi-Fi Model

Indian Telcos have opposed TRAI's public Wi-Fi model that supports unlicensed players to establish low cost Wi-Fi-based internet networks in public places.

- In 2017, TRAI suggested to the DoT that Internet services be delivered over public Wi-Fi networks under a registration mechanism instead of a licence. New categories of unlicensed players, i.e., public data office aggregators (PDOAs) and public data offices (PDOs), were introduced.
- As per TRAI's recommendations, unlicensed entities would not be required to pay statutory charges and licence fees or even comply with security conditions that licensed carriers need to meet.
- Industry bodies including ASSOCHAM, COAI and ISPAI, have expressed their concerns to the DoT and PMO, and suggested that internet services over public Wi-Fi networks must only be allowed through a virtual network operator (UL-VNO) permit.

**Impact Analysis:** TRAI's proposal will bypass the present licensing framework, leading to a non-level playing field between licensed and unlicensed players. This could also trigger revenue losses for licensed operators, and to the exchequer, which would be deprived of licence fee, SUC or any upfront payment for airwaves. Potentially eradicating the business case of small ISPs, for they would be competing with unlicensed operators with the same rights and offerings.

### TRAI Issues Amendment to Telecommunication Interconnection [Regulations](#)

The "Telecommunication Interconnection (Amendment) Regulations, 2018" allows service providers to ask another operator for additional ports in event where the projected utilisation of the capacity at the interconnected point is likely to exceed 85% over a 60-day period.

- The new regulations also increased the timeframe for provisioning of ports for initial interconnection and augmentation of ports at points of interconnect to 42 working days.
- Every operator will have to give a forecast of outgoing call traffic of busy hours for each interconnect point once every six months — 1 Apr and 1 Oct every year — to the interconnecting service provider.
- Inter-connectivity issue has been a major concern between Reliance Jio and incumbent operators such as Airtel and Vodafone. Jio earlier accused other operators of not providing it with sufficient points of interconnect leading to call failures, while operators blamed Jio that its free calls led to increased network traffic.

### AI Task Force [Presents](#) Report on Artificial Intelligence for Military

The AI Task Force of the Ministry of Defence has submitted its report to the Defence Minister, highlighting usage of AI for military superiority. The task force was constituted in Feb 2018 to study strategic implications of AI in national security.

- The ministry has started preparing Indian defence forces for the use of AI, specifically in the area of aviation, naval, land systems, cyber, nuclear, and biological warfare.
- The report includes recommendations on policy and institutional interventions that are required to regulate and encourage robust AI enabled technologies for defence sector, in association with start-ups and commercial industry.

### E-commerce Task Force Meets to Discuss [Data Localisation](#) Issue

In a meeting chaired by the Commerce secretary, the task force on e-commerce discussed various suggestions on issues ranging from cross-border data flows, taxation, trade facilitation and logistics, consumer confidence and intellectual property rights.

- Senior representatives from MeitY, DoT, MSME, consumer affairs and corporate affairs, CCI and the DGFT attended the meeting.
- The task force convened to consider suggestions submitted by various govt-industry sub-groups that were established to provide inputs to help shape the India's e-commerce policy.



**Tik Tok App [Banned](#)**

Kominfo has [blocked](#) Tik Tok, an app which allows users to create short music videos, due to negative content.

- In response to the ban, Tik Tok [met](#) with Kominfo and [agreed](#) to increase the age limit to 16 years, and hire content moderators to address negative content concerns.

**LINE Today [Launches](#)**

LINE's news platform, LINE Today, has launched a dedicated service in Indonesia.

- LINE has 90 million registered users in Indonesia, making it one of its top overseas markets.

**Govt Adopts Voiceprint Recognition to [Verify](#) Indonesia Pensioners' Identity**

The system, which verifies a person's voice by measuring the unique acoustic resonance of the vocal tract using AI, is provided by Shenzhen-based start-up VoiceAI Technologies. The voiceprint recognition technology was adopted by the govt to manage the release of the retirement funds to its 2.5 million civil servants. Personal identity can be confirmed simply by analysing a single sentence spoken by the individual. Speech and voice data were collected onsite to increase the required precision of the system.

- The verification system, together with biometrics such as fingerprint and facial recognition, not only saves pensioners from traveling long distances but also reduces the workload of banks.

**Telkomsel [Confirms](#) Plans to Test 5G**

Telkomsel confirmed plans to test 5G at the upcoming Asian Games 2018, which will be held in Jakarta.

- Telkomsel has submitted plans to Kominfo, which detail the frequencies it will use and test locations.

**Impact Analysis:** Kominfo's approval of Telkomsel's proposal will be the first step in the govt developing rollout plans. Previously, the Minister for Communications and Informatics, Rudiantara, walked back [claims](#) of 5G testing at the Asian Games.

### **New Tokyo Research Centre [Aims](#) to Boost Japan’s “Fourth Industrial Revolution”**

The newly established “Centre for the Fourth Industrial Revolution” is aimed at accelerating social change by developing appropriate policy frameworks. The World Economic Forum (WEF) opened the centre in partnership with METI and the Asia Pacific Initiative.

- The institution will be headed by Chizuru Suga, formerly of METI.
- One of the key focuses is working towards a solution to Japan’s aging and declining population

**Impact Analysis:** As the first such research centre to be opened in Asia Pacific, this could pave the way for deeper research and policies catered towards issues specific to the region.

### **LINE Pay [Announces](#) Three Initiatives to Promote QR Payments**

LINE Pay has announced the following measures to popularise its QR code-based payments system, in an effort to accelerate the adoption of cashless and walletless payments in Japan:

- The launch of a “LINE Pay for Merchants” app is specifically designed for QR code payments on LINE Pay. The app also features a “cash register” and a “messaging” feature.
- The waiver of transaction fees for three years from Aug 2018 for merchants making QR code payments through the LINE Pay for Merchants app.
- System upgrades the “My Level” reward system to motivate users to use the QR code functions.

### **LINE [Opens](#) Clova Extension Kit to External Partners and Developers**

The public release of the Clova Extension Kit – a development kit – will expand the variety of things users can do with its Clova assistant.

- Clova is LINE’s AI assistant that was released in 2017 in the form of a smart speaker.

### **Clova Auto to [Enable](#) Connectivity between Automobiles and Clova AI Assistant**

LINE’s AI assistant Clova will soon be made available for use in new Toyota automobiles. This means that drivers will soon be able to send and receive LINE messages, make free LINE calls, listen to music, and more, by simply giving voice commands.

### MSC Malaysia Status Approvals **Halted** from 1 Jul

MDEC will not approve MSC Malaysia Status applications from 1 Jul onwards to align its tax incentives with the standards stated in BEPS Action 5. New legislation on tax incentives will be introduced before 31 Dec.

- BEPS Action 5 requires income from intellectual property to adopt the nexus approach, which means only R&D activities undertaken in Malaysia enjoy tax incentives. The current MSC framework allows MSC-status companies to enjoy 100% tax exemption for up to 10 years.

### Banks **Waive** Interbank Transfer Fees from 1 Jul

Banks have waived the MYR0.50 (USD0.12) interbank transfer fees (IBFT) from 1 Jul, in line with Bank Negara Malaysia's direction to encourage cashless payments.

### TM **Reduces** Broadband Tariffs

TM has introduced new fibre broadband (Unifi) and mobile packages to stay competitive in the industry. These are:

- A 30Mbps Unifi broadband service priced below MYR100 (USD25) targeted at lower income households, otherwise known as B40.
- Doubling the broadband speed of existing Unifi customers at no extra cost from 15 Aug onwards.
- Providing a special package for pre-Unifi (Streamyx) customers.
- Re-launch "unlimited" data, call and messaging mobile plans.

➤ **Impact Analysis:** Other broadband and mobile network operators are likely to introduce cheaper plans for consumers to remain competitive in the industry. An example is U Mobile, which [launched](#) an unlimited call and data plan priced below MYR50 (USD12.50) in Jun.

### **KBank to [Support](#) SMEs' Digital Skills**

The “KBank Biz Plan Challenge 2018: The Digital Marketing for Digital Entrepreneurs” is designed to help Myanmar’s SMEs keep track of digital marketing innovations and effectively use them to their advantage. KBank has been working with govt organisations to improve the digital skills and knowledge of Myanmar’s SMEs for the last three years.

- The programme is a joint effort from the Central Department of SMEs Development, the Union of Myanmar Federation of Chamber of Commerce and Industry (UMFCCI), the Renaissance Institute, and the University of the Thai Chamber of Commerce (UTCC).

### **Mytel [Planning](#) Mobile Wallet Service**

Mytel, Myanmar’s newest telecom operator, has announced plans to launch a mobile wallet service in the near future. According to representatives, Mytel is in discussions with Myanmar’s Central Bank to obtain the necessary permits and licenses.

- Though no specific launch date has been set, representatives expect to be able to start operations in three to six months.

**Impact analysis:** Mytel’s foray into mobile money is in line with [the rise](#) of digital currencies in Myanmar. This could heavily impact the activities – as well as the revenues – of Telenor and Ooredoo, Myanmar’s two leading service providers. Telenor Myanmar launched mobile money services in 2016, while Ooredoo Myanmar launched its mobile money services in 2017.

### **AsiaSat [Collaborates](#) with KBZ on Satellite OTT Video Service**

Asia Satellite Telecommunications (AsiaSat) has teamed up with KBZ Gateway (KBZ) to explore the possibility of providing OTT video services via satellite in Myanmar. AsiaSat will provide the space segments, the ground facilities, and secure the necessary licenses. While KBZ will supply the installation, servicing, and roll-out of OTT boxes.

- This initiative will initially support the free-to-air distribution of national TV channels, enabling audience across the country to have access to free online video content via mobile and other connected devices regardless of their location.
- Thanks to OTT via satellite video content will be made available across a wider range of platforms and locations, including rural villages, cruise ships, airplanes, and trains.

### **Mytel [Invests](#) USD1bn into Nationwide Operations**

MyTel, Myanmar’s fourth network operator, has invested over USD1bn in capital expenditure to boost infrastructure and increase its reach. The company plans to invest a total of USD2bn within its 15-year license period.

- Mytel has also set aside USD80m for its corporate social responsibility programme aimed at supporting education. This includes providing free internet service to over 3,000 schools.

### ComCom [Reports](#) on History of Broadband Testing in New Zealand

The report issued details the past ten years of broadband performance [testing](#) and how that has helped consumers make more informed choices regarding what broadband service is right for them.

- It has been traditionally difficult to compare Internet plans, providers, and technologies.
- There are 92 fibre broadband retail providers in New Zealand.

[Impact Analysis](#): ComCom has engaged with SamKnows on a new round of independent broadband testing. The first round of information will be released in Oct. To date, there are 2,600 volunteers signed up for the new broadband measuring program.

### New Zealand Will [Not](#) Issue Digital Currency For Time Being

In a speech, the Deputy Governor of the Reserve Bank of New Zealand (RBNZ) said the central bank does not have any immediate plans to issue an official digital currency. A digital currency would let the public have access to legal tender money regardless of whether they had physical cash on them. While it is easier to distribute, because it does not have to be physically transported, there are other new infrastructure costs involved. The central bank is also concerned about undermining financial stability if it were to introduce a digital currency.

- New Zealand also happens to be one of the few advanced economies where electronic forms of payment account for the majority of transactions but is still seeing cash demand rate grow faster than the GDP rate.

### BEPS Bill [Passes](#) Third Reading in Parliament

The Taxation (Neutralising Base Erosion and Profit Shifting) Bill will take effect 1 Jul and make it more difficult for multinationals to evade their tax obligations in New Zealand. The Bill will prevent companies from using Base Erosion and Profit Shifting (BEPS) strategies such as related-party transactions to shift profits to offshore group members, hybrid mismatch arrangements exploiting tax differentials between countries, and tactics intended to slow down Inland Revenue investigations.

### Govt Official [Calls](#) for Open Banking

The Minister of Commerce and Consumer Affairs made an appeal for New Zealand not to be left behind in terms of Open Banking outcomes that help spur economic development and benefit consumers. The govt is looking favourably at what Australia is doing in pushing an Open Banking agenda and states the principles driving the Australian review would be a good starting point.

[Impact Analysis](#): Expect the govt to take a much more active role to facilitate some form of open banking in New Zealand and start testing possible arrangements.

### Cybersecurity [Review](#) Deadline Pushed Back

The govt will continue to accept feedback into the Cybersecurity Strategy refresh review until Sep. The govt wants to ensure it has the right resources and the right arrangements in place to confront cybersecurity threats that become increasingly more sophisticated.

- A new Cybersecurity Strategy and Action Plan will be delivered to the Cabinet at the end of Oct.

### MBIE to [Spend](#) NZD35.4m (USD24m) on Three New Science Platforms

The platforms will support long-term research on seafood, shellfish aquaculture and hide and skin processing through the Strategic Science Investment Fund (SSIF).

### DICT Signs [MoU](#) with ISOC on New Digital Economy Roadmap

The DICT will work with the Internet Society (ISOC) to develop its new digital roadmap, “the National ICT Ecosystem Framework (NIEF) 2022” which aims to foster more integrated planning and policy measures to encourage different parties to collaborate using ICT collaboratively while also promoting accessibility, security, and sustainability.

- DICT will adopt a multi-stakeholder approach for the development of the Framework, including for related projects and activities, including conducting public consultations to engage with various sectors throughout the year.

### DICT Aims to [Announce](#) Third Telco in Sep


Following public consultations on its two terms of reference (ToR) for the selection of the Philippines’ third telco, the DICT has announced its target of selecting the third telco by late Sep or early Oct.

- Of the two draft ToRs released, both telco industry stakeholders and the public preferred the highest committed level of service (HCLoS) model as opposed to the auction model.
- Under the HCLoS formula, which is also favoured by the DICT, the new telco will be selected based on a criteria of: (a) 40% for national population coverage, (b) 20% for minimum average broadband speed and (c) 40% for annual capital and operating expenditure over a five year commitment period.
- The auction model is favoured by the Department of Finance.

### Govt [Joint](#) Effort to Handle Telco Consumer Complaints

The National Privacy Commission, Department of Trade and Industry (DTI), DICT, National Telecommunications Commission (NTC) and the Department of Justice (DOJ) are jointly working on a draft administrative order aimed at providing a more efficient way of resolving telco consumer concerns.

- In the draft order, the NPC will handle matters related to privacy and data protection, the DTI handling matters on defective products, violation on the terms and conditions on a misleading advertisement, fraudulent sales promo, deceptive sales practices and other complaints related to warranty.
- The NTC will handle cases involving legal or regulatory violations related to text scams/spam messages, vanishing load, denial of subscriptions plan application, electronic billing, fair use policy, lock-in period, poor technical/customer service care and accessibility, unauthorized charges, and value-added service.

 **Impact Analysis:** While the separation among agencies may make it easier for the gov't to handle consumer complaints, it remains challenging for consumers to identify who to approach, especially when they may have overlapping issues. A better solution could be to establish a new body within the NTC to handle complaints and coordinate internally rather than shift the burden on consumers.

### DICT [Announces](#) Common Tower Guidelines

The DICT announced an initial set of guidelines for the establishment of independent common tower companies. Interested tower companies must have PHP10bn (USD187m) net worth with no direct or indirect ownership by Globe or PLDT. Interested companies must also have at least five years' experience in constructing, owning, or managing at least 10,000 towers in Asia.

- The DICT is aiming to accredit at least two common cell tower companies by Q1 2019.
- Globe is already in the [process](#) of incorporating an independent company for the installation and deployment of cellular towers in the country and is awaiting approval by the Securities and Exchange Commission.

**China Mobile [Starts](#) Data Centre Construction**

The Tier III+ data centre will be located in Singapore Dacheng Industrial Park and is the Chinese telco's second regional data centre outside China, after Hong Kong.

- The data centre will span a gross area of 7,330 square metres with a hosting capacity of 2,100 racks.

**MyICA Portal [Launched](#)**

Citizens will be able to access their personal data and the Immigration & Checkpoints Authority (ICA)'s e-services via the single personalised portal.

- The portal was trialed for two months in Apr and May 2018, and more e-services will be added to it by end-2018.

**Govt [Funds](#) Research into Next-gen Ports**

The National University of Singapore (NUS) and the Singapore Maritime Institute (SMI) have established, with the support of the Maritime Port Authority of Singapore (MPA), the "Centre of Excellence in Modelling and Simulation for Next Generation Ports (C4NGP)". C4NGP is a SGD18m (USD13.3m) research centre that will work with Singapore's maritime and port sectors to support innovation and help the local industry establish a competitive edge.

**The FinLab to [Support](#) Travel Agencies' Digitisation**

The Singapore Tourism Board (STB) and National Association of Travel Agents Singapore (NATAS) have partnered with The FinLab, a start-up accelerator and JV between the United Overseas Bank (UOB) and govt-owned SGInnovate, to provide travel agencies with the resources they need to digitally transform their businesses.

- The FinLab aims to help travel agencies solve their business challenges with digital solutions.
- Four travel agencies have been selected for the three-month acceleration programme.

**MyRepublic [Launches](#) MVNO Services**

The fibre broadband operator has launched its commercial mobile plans, with free data for existing broadband subscribers to encourage them to migrate to MyRepublic for all their communications needs.

- The latest MVNO is expected to drive competition in the mobile market ahead of fourth MNO TPG Telecom's entrance.

### **FSS [Launches](#) Fintech Strategy Council**

The Financial Supervisory Services (FSS) has kicked-off the first meeting of the Fintech Strategy Council. Chaired by the Chief Vice-director of the FSS, Yoo Kwang Yeol, the Council will be responsible for discussing and addressing fintech related issues that arise from differently regulated financial areas and how they affect fintech.

- The Council will primarily focus on supporting the development of fintech across different financial industries such as banking, capital market and accounting, insurance, and consumer protection.

### **Govt to [Invest](#) KRW10bn on Six Blockchain Pilots**

The MSIT's blockchain development strategy has earmarked KRW10bn (USD9m) for blockchain pilots focused on livestock supply chain management, customs clearance, online voting, real estate transactions, cross-border e-document distribution, and shipping logistics.

- The MSIT will work with other govt agencies where the main objective is on improving information sharing efficiency and transparency by using a distributed network.
- The initiative also plans to foster 10,000 blockchain industry professionals and 100 companies, while the ministry will invest KRW800m (USD720,000) a year for up to six years to develop a blockchain research centre.

### **Supreme Court [Rules](#) in Apple's Favour on User Location Tracking**

The Supreme Court has upheld the Lower Court's ruling, dismissing complaints from local iPhone users who filed a suit against Apple for collecting their location information without consent.

- While the Court did acknowledge the illegality of Apple's collection of location data without user consent, the court cited the challenge in determining that the inflicted damages were severe enough to have to compensate users.
- The suit was first filed in Aug 2011 by 28,000 users, although only 299 participated in the appeal after it had been originally dismissed.

### **SK Telecom, KT [Join](#) O-RAN Alliance**

The Open Radio Access Network (O-RAN) Alliance is a global initiative led by global telcos including AT&T, China Mobile, Deutsche Telekom, NTT DOCOMO, and Orange to collaborate on 5G through standardisation and exploring open source technologies.

- SK Telecom will share its mobile front-haul technology, which is the process of sending mobile data traffic as a digitized signal from the remote radio heads at cell sites to centralized baseband controllers, and its open technology to interconnect equipment from different manufacturers.
- KT will equip virtualized network elements with open, standardised interfaces and make 5G networks smarter using real-time analytics for machine learning systems and artificial intelligence.



**MOST [Launches](#) Four-Year Semiconductor Project to Nurture AI Talent**

The TWD4bn (USD131.4m) research project, to be led by 20 top-notch academic teams, will focus on developing AI chips, sensors and semiconductor processing technologies. Through partnership with the private sector, the project will also expand the talent pool in the field of AI and semiconductor.

- Other govt initiatives to promote AI include establishing four research centres, cloud service, and computing platforms with a total budget of TWD10bn (USD327.4m)

**Impact Analysis:** Realising the need to remain competitive by shifting from hardware manufacturing to harnessing disruptive technologies, Taiwan has been committed to bolstering the development of its domestic AI industry. This follows the push for cloud computing and IoT. Under the four-year [action plan](#), the govt has allocated over USD1.2bn to implement five key initiatives centred around establishing international research centres, cultivating talent, incubating start-ups, and reconciling laws to facilitate AI development.

**FSC and NDC [Commit](#) to Foster Blockchain Technology Development**

At the Taipei Asia Blockchain Summit, officials from the FSC and NDC stressed the important role of blockchain technologies in the era of digital economy and the govt is committed to provide long-term policy support to foster the development of blockchain technologies in Taiwan.

- NDC will collaborate with Asia Blockchain Alliance to develop innovative applications and help enterprises to unveil turnkey solutions for export. While FSC will continue to encourage the use of blockchain technologies in financial service delivery, regulations related to electronic payments will be reviewed and relaxed to facilitate the establishment of online banks.
- Legislators YJ Hsu and WJ Yu also revealed that they will push for adopting different principles for regulating digital currency and blockchain technology to attract more global blockchain investment to Taiwan.

**NDC [Establishes](#) Personal Data Protection Office**

The Personal Data Protection Office, launched on 4 Jul, is tasked with conducting a comprehensive review of existing regulations on personal data protection, consultations with experts and EU agencies on GDPR to ensure the govt is fully complied with the regulation that came into effect on 25 May.

**Google Further [Strengthens](#) Taiwan’s AI Capability**

Further to Google’s announcement of the Intelligent Taiwan initiative to enhance govt and enterprise’ AI capability, the company will provide training to students and researchers at four Taiwan universities, namely, the National Taiwan University, National Tsing Hua University, National Chiao Tung University, and National Cheng Kung University.

- Overseas experts on AI will speak on various topics including natural language processing, the applications of machine learning in medical imaging diagnostics and Google Cloud

### Govt Announces Initiatives to Advance Smart City Developments in Phuket

The govt has [signed](#) MoUs with Phuket City Development (PKCD) to enhance digital innovation and continue the development of a Smart City prototype for Phuket. This will involve the application of digital technology in the business sector with an aim to continue the process of digital transformation.

### Thailand Proposes Digital Identification and Verification Act

This [Act](#) aims to put in place guidelines and processes for the operation of Digital Identification and Authentication Systems. These systems enable online service providers to authenticate and verify their subscribers using digital identifications.

- As per the proposed Act, providers who wish to offer digital identity and authentication services must register themselves as a company and obtain a license to operate. The storage and distribution of personal data obtained from the authentication system is also prohibited, unless the "Identity Provider (IdP)" has been granted permission by a user.
- Earlier this year, the ETDA [implemented](#) a National Digital ID program, which was joined by a number of agencies such as the Revenue Department, Thai Banker's Association, and the National Credit Bureau, among others.

### NBTC Announces New Auction Dates and Prices

The 900MHz and 1800MHz spectrum auctions are now scheduled to take place on 18 Aug and 19 Aug respectively, and there is indication that dtac will now [participate](#) in the 900MHz auction. NBTC has [announced](#) that dtac will not be awarded a remedy period beyond its 15 Sep concession expiry date, unless it bids in the upcoming auctions.

- For the 1800MHz spectrum auction, NBTC [plans](#) to make nine licenses (of 5MHz bandwidth each) available at a starting price of THB12.468bn (USD376m) per license, as opposed to auctioning three licenses (with 15MHz bandwidth each) at a price of THB37.457bn (USD1.1bn) per license.
- For the 900MHz auction, NBTC announced a price cut with the new reserve price being set at THB35.9bn (USD1.1m). However the excess THB2bn will need to be [used](#) by the winning bidder to install a system that prevents signal interference with the adjacent range.

### IPR MPS [Arrest](#) Officials from Mobifone and MIC for Public Investment Mismanagement

State telecom company Mobifone (managed by MIC) were proceeding with a 95% purchase stake in AVG, a pay-per-view TV firm, when the Central Inspection Committee highlighted financial discrepancies during inspection. The review was subsequently handed over to the MPS. An official said that Mobifone and MIC had not carried out a comprehensive assessment of AVG before making the purchase, and Mobifone had falsified reports regarding its investment. Two officials from Mobifone and MIC were then arrested for mismanagement of state funds.

**Impact Analysis:** While not directly related to technology, this situation highlights the tension between the MIC and the MPS, which could impact other discussions and deliberations around policy areas of contention, such as the Cybersecurity Law, which the MPS has drafted, but which contain provisions related to ICT which technically overlap with the MIC's mandate.

### 27% of APT [threats](#) target Govt websites

According to a report from the Authority of Information Security (AIS) under the MIC, more than 27% of Advanced Persistent Threats (APTs) cyberattacks target govt agencies. This is followed by the financial sector and telecoms businesses. More than 80% of malware used in APTs are specifically designed for their targets.

**Impact Analysis:** Vietnam has been struggling to manage its cybersecurity threat levels, and these analyses have demonstrated the sophistication of the attacks, as they are now customised to their attack target. VNCERT has been stepping up cyber drills, most recently holding one on 29 Jun 2018 in Danang.



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