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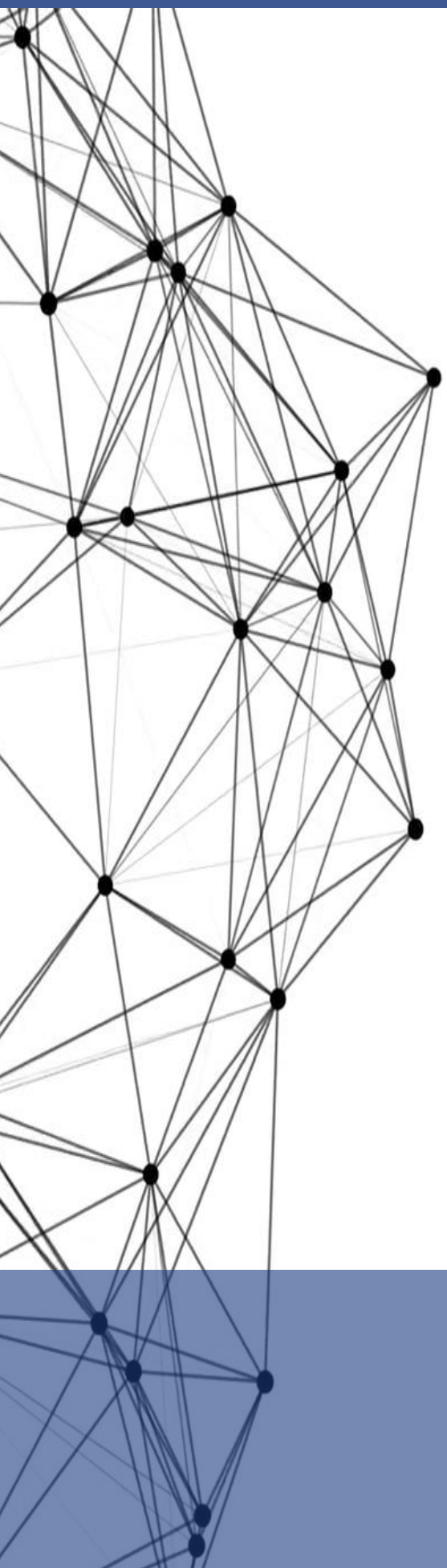

APAC BYTES

TRPC

June 2018

HIGHLIGHTS

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Dell Virtustream Gets on ASD CCSL

The global cloud provider is now part of the ASD's Certified Cloud Services List (CCSL) which allows it to host unclassified dissemination limiting market (DLM) govt information on its local Dell Virtustream Cloud.

Impact Analysis: This is a nice accomplishment for Dell Virtustream as it joins AWS, IBM and Salesforce as other international players on the CCSL. None of them have achieved what Microsoft did in Apr which is to get its cloud service accredited by the ASD at the highest security level or "protected" level.

Submissions on Regional Telecommunications Review Being Accepted

The Department of Communications and the Arts has issued a discussion paper on telecommunication services for rural and remote Australia. It welcomes until 5 Aug people to share their experiences. Part of the review will look at alternative and emerging technologies and the opportunities they present. The Regional Telecommunications Independent Review Committee will deliver a report to the Minister for Regional Communications by 30 Sep.

Impact Analysis: This is a chance to raise the merits of TV white space technology and how it can encourage greater competition in the delivery of broadband services to regional Australia.

Telecom Consumer Complaints Handling Industry Standard 2018 Becomes Legislation

Commencing 1 Jul, telcos will have to follow new record keeping rules and a new industry standard for handling complaints, such as follow a complaints process that meets minimum standards, acknowledge complaints within two working days, use best effort to solve complaints quickly, and provide complaints data to the ACMA for monitoring purposes

- If a telco breaches an industry standard it could be fined up to AUD250,000 (USD190,272).
- This is the first set of changes, to be followed by a number of other rules.
- Telcos will also be required for the first time to inform the regulator how many people have complained when migrating to the NBN. Telco specific complaint data will most likely not be made public at a later date, disappointing consumer advocacy groups.

Impact Analysis: The poor customer experiences and the amount of complaints generated by NBN migration has forced the govt to step in and set up industry standards. The new rules are belated but could prove to be effective going forward.

ACMA Opens Consultation on 800-900MHz Planning Arrangement Implementation

The ACMA has been working on a long-term strategy for the 803-960MHz since 2015 so it can allocate the 850MHz expansion band for mobile broadband services. The arrangements will impact some communities of users and some consumer devices. It is seeking feedback on proposed changes to RALI FX 11, RALI MS 40 and RALI MS 41 and welcomes submissions until 5 Jul.

- The ACMA plans to reconfigure the 900MHz GSM band and allocate the 850MHz expansion band and a 1MHz downshift of the 850MHz spectrum licensed segment.

ACMA Seeks Comments on Update to RALI FX 19 and New Draft RALI MS 44

The RALI FX 19 establishes coordination criteria for existing services in the 3.6GHz band around Broadband Wireless Access (BWA) and RALI MS 44 does the same for Fixed Satellite Services (FSS). They are necessitated by the govt making three re-allocation declarations in Mar. New BWA systems in the 3.6GHz band will have to be deployed outside the re-allocated areas and require coordination with existing BWA services. RALI MS 44 deals with the management of interference to and from Earth stations linking with FSS satellites in Earth Station Protection Zones (ESPZs).

- The ACMA welcomes submissions until 26 Jun.

Amazon Bars Australians from Shopping at Its International Sites

Starting 1 Jul, Australians will be redirected to Amazon's local Australian website, coinciding with the Australian govt's decision to have global e-commerce providers collect GST on all online purchases. Amazon does not want to track and collect GST from all Australian purchases from overseas transactions. It has opened a new online global store which offers Australians access to an extra four million items previously only available on Amazon's US platform.

- The govt said it would not be "bullied" by Amazon. eBay and Alibaba have not announced similar bans.

Impact Analysis: The govt's estimates of how much new revenue it would collect by imposing the collection of GST on global online retailers might not be so accurate after all.

Australia to Create National Health Interoperability Roadmap

The Australian Digital Health Agency (ADHA) intends to develop the roadmap by Dec so that health record information across providers can be accessed in a timely fashion. At the moment, health records are held by diverse providers on incompatible and fragmented facilities and systems.

- The Digital Health Agency may follow the US Trusted Exchange Framework. It has issued an early engagement paper and intends to commence a public and industry consultation process in the new financial year.

Impact Analysis: My Health Record is supposed to serve as a defining framework for the sharing of key information but has been beset by problems and low take-up.

ADHA Estimates 500,000 Australians to Opt Out of My Health Record

The Australian Digital Health Agency (ADHA) told a Senate Estimates that based on a trial with one million people which saw 1.9% opt out, it calculated that half a million Australians would opt out of the national enrolment program during the window of 15 Jul to 15 Oct.

- 11,000 Australians have registered with the My Health Record website to be notified when the opt out window opens.

Consultation on Minor Amendments to Copyright Regulations

The Department of Communications and the Arts has opened a consultation on the draft Copyright Amendment (Service Providers) Regulations 2018 to allow for the implementation of safe harbour reforms. It is to ensure that the education, cultural and disability sectors are protected from legal liability if they can show they have taken appropriate steps to protect against copyright infringement by their users.

- Submissions are due by 29 Jun.

New Cybersecurity Manual Being Compiled

A draft document called the Information Security Manual (ISM) is being circulated among relevant govt departments and industry for consultation and revision, a process which should be completed by the end of Jun. The ISM will incorporate a whole-of-economy approach to cybersecurity. It will also replace the current certification processes for products and services with the US National Institute of Standards and Technology (NIST) Risk Management Framework.

Anti-Terror Legislation to Permit Law Enforcement Access to Encrypted Information

The govt continues to work on forthcoming legislation to make decrypted messages available to Australian security agencies through "alternate access", without somehow compromising or weakening encryption. But details on how this complex task would be accomplished remain murky. The Minister for Law Enforcement and Cyber Security mentioned that the govt would soon begin a consultation on the new legislation to modernise Australia's telecommunications intercept and search warrant powers.

- In Q2 2017, Apple granted 87% of 2,601 Australian law enforcement requests for access to devices.

Impact Analysis: Despite repeated pleas from the govt that the new legislation will not create "backdoors" and weaken encryption through a "decryption key", few people are convinced.

Govt Reviewing VAST Service

The review of the Viewer Access Satellite Television (VAST) service will look at ways to deliver TV broadcasting services to areas without reliable terrestrial TV transmissions. A new transmitter licence tax for broadcast spectrum of AUD40m (USD30m) per year will be introduced. The transmitter licence tax arrangements will provide certainty to the broadcasting industry while the govt continues with its plan of broader spectrum reform. Submissions are welcome until 22 Jun.

- VAST service delivers TV service to 200k000 households and 30,000 travellers, mostly in regional and remote Australia.

AUD25m (USD19m) Mobile Black Spot Round Announced

Mobile service providers will have a chance to apply for round four funding later in the year through a competitive tender process. The govt will gather input from local govts as well as local businesses, community groups and emergency services in determining what regional areas to target with round four funding.

Guizhou to Become Big Data and Cloud Computing Hub

Guizhou's digital economy experienced rapid growth of 37% in 2017 and is projected to contribute 30% to the province's GDP by 2020. Known as China's big data valley, Guizhou has over 8,500 enterprises engaged in the big data industry with a workforce of 142,000.

- Heavyweight players including Tencent, Alibaba, Apple, Qualcomm, Huawei, and Foxconn have established cloud computing and big data centres there. Apple located its first data centre in Guizhou whilst Tencent recently opened its Qixing data centre in Gui'an New District. Alibaba Cloud also announced its plan to set up the technical support centre and Internet Content Provider (ICP) filing centre in the province.
- The four-day Big Data Industry Expo held in late May attracted investment worth CNY35.3bn (USD5.5bn) with 199 project agreements concluded.

MIIT Unveils Action Plan for Industrial Internet Development

Following the issuance of the State Council guidelines on the development of industrial Internet, this three-year action plan lays out with specific timeline the ten core tasks that need to be accomplished by the relevant ministries or commissions.

- By 2020, basic network infrastructure required for industrial Internet should be established. Over this three-year period, around 10 cross-sectorial and cross-industry Internet platforms will be identified and nurtured to support smart manufacturing and production, more than 300,000 industrial enterprises will integrate the use of cloud computing in the business and more than 300,000 industrial apps will be created.
- The detailed action plan encompasses key areas like strengthening basic infrastructure, developing internet platforms, achieving breakthroughs in core technology standards, facilitating SMEs in the use of industrial Internet applications and enhancing data management and data protection measures.

Impact Analysis: Establishing a solid industrial internet infrastructure is a key milestone to be achieved under the blueprint of Made in China 2025. The formulation of the Guidelines and Action Plan represent a major step forward to its implementation which requires the close coordination and collaboration of various ministries including the National Development and Reform Commission, Ministry of Finance, Ministry of Science and Technology, Ministry of Commerce in view of the tight timeline.

MIIT Announces Implementation Plan to Boost Rural Broadband Access

The implementation plan calls for narrowing of the digital divide in rural areas and targets broadband coverage of over 90% and 98% by the end of 2018 and 2020 respectively.

- Apart from building a high-speed, low-cost broadband network for the rural population in 122,900 villages, improving 4G-coverage and extending universal services access by bringing fibre optic broadband connections to 43,000 villages will be the main focus of the implementation plan.
- The plan proposes seven measures to strengthen the usage and application of the Internet: 1) encourage telcos to provide tariff reductions to the poor and increase broadband affordability; 2) develop simple and low-cost 4G mobile phones to meet the needs of villagers; 3) develop mobile apps that suit the needs of ethnic minorities; 4) provide affordable video services, for example, through IPTV; 5) achieve full broadband coverage in small village schools and boarding schools in rural areas; 6) promote telemedicine, online health education and management of chronic diseases and; 7) implement poverty alleviation policies and provide information on related programs through the Internet.

HKMA Finalises Guideline on Virtual Banks Authorisation

The revised Guideline provides clarity on the supervisory conditions to be imposed on virtual banks, elaborates on the requirements of having a physical presence in Hong Kong, an independent assessment of the planned IT system, and what an exit plan should entail.

- In addition, virtual bank applicants need to meet the minimum paid-up capital requirement of HKD300m (USD38.4m) and should neither impose any minimum balance requirements nor low-balance fees on customers.
- The deadline for receiving applications is 31 Aug with licences to be granted in Q1 2019 at the latest.

Impact Analysis: Several companies including WeLab and Yedpay have already expressed interest to enter the market. The market dynamics of banking will certainly change with virtual banks leveraging online platform, which constitute much lower overhead costs, to offer services such as cross-border remittance, loans to SMEs and start-ups. Business opportunities are plenty once they establish a trustful relationship with their clients and start collaborating with e-payment issuers.

Alibaba's Cainiao to Set Up Logistics Centre at Hong Kong Airport

The 380,000 square metre logistics centre, equipped with automated warehousing facilities and temperature-control features, will begin operation in 2023. It forms part of the logistics network that enables single-day delivery within China and 72-hour global delivery.

- This USD1.5bn project is led by Cainiao and supported by China National Aviation Corporation and YTO Express. Local SMEs will benefit from this cargo-hub and blooming cross-border e-commerce.

CA Opens Up 580MHz in 5GHz Shared Band for Mobile Services

Following its public consultation in Feb, the CA will make available a total of 580MHz spectrum in the 5GHz shared band for higher speed public mobile services. The additional spectrum, consisting of four sub-bands of frequencies in 5150-5250MHz, 5250-5350MHz, 5470-5725MHz, and 5725-5850MHz, is expected to enhance mobile service quality and capacity.

- Operators will be required to employ Licensed Assisted Access (LAA) technology with mandatory Listen Before Talk (LBT) features to ensure compatibility and effective sharing with other users.
- Currently, applications for additional capacity are limited to Unified Carrier Licence (UCL) licensees assigned with licensed mobile spectrum.

Impact Analysis: The decision to provide additional spectrum in the 5GHz is timely in view of the recent successful completion of technical trials by the mobile network operators using LAA technology and the fact that compatible handsets will be available soon. Although the CA will only consider applications from MNOs using LAA technology, it is believed that when technological development for other standards becomes more mature and widely recognized, CA will be more flexible in their approval procedures.

CA Proposes WIoT Device Fee and Licence Fee Reduction for UCL

In line with the cost recovery principle, the CA proposes to reduce the licence fee per customer connection/mobile station from HKD7 (USD0.89) to HKD5 (USD0.64) for Unified Carrier Licence (UCL) holders. The same will apply to Public Radiocommunications Service (PRS) Licences and Services-Based Operator (SBO) licences.

- The fee payable for each mobile station under mobile radio system (MRS) licences and private mobile radio system (PMRS) licences will decrease from HKD270 (USD34) to HKD220 (USD28).
- A fee of HKD200 (USD25) is also proposed for every 100 WIoT devices deployed under either UCL or the new WIoT licence. All
- these changes are proposed to take effect in Jan 2019.
- The closing date for comments is 9 Jul.

RBI Seeks Update on Payments Data Storage Every Fortnight

Concerned about data security, the RBI has asked payment services firms to provide an update on action taken by them to store transaction data in the country in every fortnight. To ensure compliance, the update was to be submitted by 8 Jun, followed by an update on progress at fortnightly intervals thereafter.

TRAI Recommends Free Spectrum for Broadband PDPR Network

TRAI has recommended that 2x10MHz of dedicated spectrum (814-824/859-869 MHz) should be allocated on a no-cost basis for state-run BSNL/MTNL to set up a nationwide PS-LTE (public safety-LTE) network to for disaster and other types of emergency communication services.

- TRAI also recommended that an additional 20MHz of spectrum in the 450-470MHz frequency range should be allocated towards broadband Public Protection and Disaster Relief (PPDR).
- If the DOT decides to adopt these recommendations, a special purpose vehicle (SPV) under the Ministry of Home Affairs will be formed to coordinate and steer the implementation of the nationwide Broadband PPDR communication network.

Citizens' Draft Law on Data Privacy Unveiled

The Citizens' draft law on data privacy (Citizens' Privacy Code) will be shared with the Justice Srikrishna-led Committee. This is led by a group of lawyers who will unveil a new Data Privacy Draft Bill and is part of a new 'Save Our Privacy' campaign.

- These lawyers were associated with the hearings on privacy that continued for months before a Constitution bench last year and resulted in a landmark Supreme Court judgment, which unanimously upheld privacy as a fundamental right. They have now drafted a Code, which tests itself on seven essential privacy principles flowing from the Supreme Court verdict.
- The draft Bill will be shared with the Justice Srikrishna-led Committee, which was set up by the MeitY that is hoping to make public its conclusions and the draft data protection bill on 11 Jun 2018.
- The bill calls for a penalty of up to INR100m (USD1.4m) and a prison sentence of up to five years for offences related to personal data and illegal surveillance.

RBI to Release Wallet Interoperability Rules

The RBI will be releasing interoperability guidelines for the payments industry in a month's time. While, NPCI has already cleared the safety security aspects of taking wallets onto the interoperable platform, RBI is firming few final issues before releasing operational guidelines.

- Interoperability, will allow transactions between digital wallets, and this may promote players to develop similar technical capabilities.
- RBI in its master direction released in Oct, mentioned that once mobile wallets adopt a common standard, interoperability would be introduced in phases starting with all full-KYC wallets.

DoT Approves Merger of Airtel And Telenor

The Department of Telecom (DoT) has approved the merger of Telenor India with Bharti Airtel, to boost spectrum footprint. The merger will bolster Airtel's spectrum footprint in seven telecom circles, with the addition of 43.4MHz spectrum in the 1800MHz band.

- While, Telenor announced its entry into India in 2008, due to intensive competition in the sector and high cost of mobile airwaves, the Norwegian firm decided to exit from India.
- With this merger, all existing customers of Telenor India will now become a part of Airtel's mobile network and will be transitioned seamlessly, with a resultant entity reach 334mn customers.

Government Integrated Data Centre (GIDC) Considered

Kominfo has urged all ministries to consider sharing infrastructure and building a Government Integrated Data Centre (GIDC), in order to become a Smart Nation and roll out eGovernment services efficiently.

- Kominfo estimates that there are currently around 4,000-5,000 data centres and server rooms managed by 615 ministries, institutions and local govts.

Cryptocurrencies to be Future Trading Commodity

The Ministry of Trade's Futures Exchange Supervisory Board (Bappebti) signed a decree declaring cryptocurrencies can be traded as a future trading commodity.

- The decision comes despite Bank Indonesia (BI) stating that it does not recognise cryptocurrencies as payment instruments.
- The govt is expected to issue regulation covering currency exchange companies, taxation, and anti-money laundering and counter-terrorism financing (AML-CFT) shortly.

Digitalisation of Marine and Fishery Resources

The Ministry of Marine Affairs and Fisheries has implemented digitalisation of data and used the Global Fishing Water (GFW) platform to improve monitoring and protection of Indonesian waters.

Go-Jek Announces International Expansion

Go-Jek announced it will invest USD500m to expand its on-demand service offerings across Southeast Asia, including Vietnam, Thailand, Singapore and the Philippines.

Eastern Palapa Ring to be Completed by Sep

As part of the Palapa Ring project, the govt stated it expects construction of the broadband network in the eastern part of the country to be completed by Sep.

- The Palapa Ring project is expected to cost IDR14tn (USD1bn), and consists of the West, Central and East packages. The West package has been completed, with overall completion slated for 2019.

Impact Analysis: The Palapa Ring project aims to provide broadband service nationwide and its construction underpins Indonesia's plan to become the largest digital economy in Southeast Asia; grow 1,000 high-tech start-ups and create unicorns; and support its latest industry roadmap, Making Indonesia 4.0. Completion of the Palapa Ring is a priority project for President Jokowi, especially with general elections being held in 2019.

5G to be Trialled During Asian Games

Kominfo announced it will trial 5G during the Asian Games to be held in Jakarta and Palembang in Aug.

MIC Seeks Views on AI Report 2018

The report was written based by the AI Network Society Promotion Committee, and summarises discussions on the social, economic, ethical and legal issues of AI as well as the Committee's core views on these issues.

- The report lists drafting AI development guidelines, and guidelines on the utilization of AI as future tasks to be undertaken.

Govt Aims for Self-Driving Car System by 2020

The govt will start trialling the system on public roads this fiscal year (ending Mar 2019) with plans to launch the service in time for the 2020 Tokyo Olympics, and commercialise the system in 2022.

Kobe City, Rakuten Trial Digital Library Service

The trial will see Rakuten's OverDrive digital library service rolled out to 11 libraries for a two-year trial.

Govt Panel Submits Recommendations on Broadcast Deregulation

The Regulatory Reform Promotion Council calls for the govt to facilitate simultaneous content distribution over the Internet and traditional broadcasting mediums, by both commercial and public broadcasters.

- The report recommends lifting a restriction placed on public broadcaster NHK by the existing Broadcasting Law, which limits its streamed content to that which complements traditional broadcasting.
- An implementation plan is expected to be put together in mid-Jun.
- The panel's recommendations do not include the removal of Article 4 of the Broadcasting Law, which was earlier proposed by the govt.

Impact Analysis: Prime Minister Shinzo Abe had sought to remove Article 4 of the Broadcasting Law, which requires broadcasters to ensure reporting accuracy and politically neutral programming, with the reasoning that its removal would put traditional broadcasters on the same footing as online ones. However, this stance carries underlying political agenda, as removing Article 4 could allow for biased pro-govt reporting through NHK, which still remains the dominant media outlet in Japan.

Japan, China, South Korea Agree to Cooperate on 5G

The ICT ministers from the three countries met in Tokyo on 28 May, their first meeting since 2011, where they agreed to cooperate on 5G development and 5G frequency standardisation to accelerate commercialisation of the technology.

- The ministers also agreed to reduce international roaming fees.

MaGIC to be Abolished

This follows Prime Minister Dr Mahatir Mohamad's announcement that agencies which are "political" or "non-essential" would be dissolved or redeployed.

- The Malaysian Global Innovation and Creativity Centre (MaGIC) was established in 2013 to support innovative start-ups and entrepreneurs.

MCMC to Propose Making Internet Access a Constitutional Right

New MCMC minister Gobind Singh Deo plans to bring the proposal to the Cabinet in hopes that a constitutional change will boost Malaysia's connectivity speeds and reduce Internet prices.

Astro's Customer Data Leaked and Sold Online

The pay TV operator has been found to have leaked the personal details of more than 50,000 Astro IPTV subscribers, which were put up for sale online.

- The personal details include customer's name, installation address, mobile number and MyKAD identity card number.
- Astro has clarified that only subscribers provisioned by its telco partner, Maxis, were affected. Astro has an estimated 3.6 million pay TV subscribers.

Exam Portal Taken Down After Data Breach Exposes Security Weakness

The Ministry of Education's School Examination Analysis System (SAPS) was taken offline after media was alerted of security vulnerability that left the data of more than 10 million, or more than a third of Malaysia's citizens, vulnerable.

- The personal data of students born between 1995 and 2006, their parents, and about 450,000 teachers were exposed.
- The SAPS portal was launched in 2011 and lets students and parents view their examination results.
- The Ministry of Education has announced that it will conduct a security analysis to identify and resolve the weakness.

Oradian Boosts Micro-Finance in Rural Regions Of Myanmar

Oradian, a financial inclusion company based in the Philippines, is set to open a Myanmar branch to help micro-finance institutions (MFIs) digitise their operations.

- In June 2018, Oradian's Business Development Team will move into Myanmar by opening a local operation in Yangon.
- Oradian boosts financial inclusion by delivering the digital tools that financial institutions need to extend their reach and their impact.
- This mission supports the govt's goal to expand formal financial inclusion to 40% of individuals living in rural or remote communities by the year 2020.

Myanmar average LTE download speed tops 28 Mbps

A recent report by OpenSignal finds that Myanmar mobile operators provide average LTE download speeds greater than 28 Mbps, 11 Mbps more than the global 4G average of 16.9 Mbps.

- MPT leads 4G upload speeds with an average of 13.7 Mbps, followed by Ooredoo and Telenor with upload speeds of 11 Mbps each.
- Telenor takes the top position in terms of 3G download speed, with a typical HSPA connection of 7.3 Mbps.
- In the overall download speed metric, all three operators came in just above or below the 15 Mbps mark.

Ananda launches unlimited 4G TD-LTE services in Yangon

Ananda, Myanmar's newest mobile operator, has launched a 4G+ data-only service in Yangon, offering users unlimited data for 35,000 kyats (USD25) per month.

- Ananda is owned by Amara Communications (ACS), which specialises in network roll-out services including tower foundation civil works, installation of power and radio communications equipment, as well as tower operation and maintenance.
- In Oct 2016, ACS acquired a mobile license and 20MHz of 2.6GHz spectrum to offer TD-LTE services.
- Because Ananda is a greenfield TD-LTE operator, it does not offer cellular voice calls or SMS – only mobile broadband.

Impact analysis: Earlier this week, Myanmar's other upstart operator, MyTel, announced it would officially launch a nationwide 4G service in June. This brings the number of mobile operators in Myanmar to five, including existing cellcos Ooredoo Myanmar, Telenor Myanmar, and MPT.

Myanmar to use Intelsat 39 satellite

Myanmar's Ministry of Transport and Communications (MOTC) has expanded its relationship with satellite operator Intelsat to accelerate the development of the nation's wireless infrastructure.

- The ministry has arranged to use services on the upcoming Intelsat 39, a Ku- and C-band satellite due to replace the Intelsat 902 in 2019.
- The multi-year, multi-transponder agreement will see Intelsat 39 host services across both bands for Myanmarsat-2.
- The govt will use the deployment to enhance its own mobile network deployments in remote areas, as well as the networks of mobile operators and media companies across the country.
- The deployment will support the ministry's goal of ensuring that 95% of Myanmar's population has access to broadband connectivity by 2022, and will be used to provide e-banking and govt services to rural communities.

New Zealand Kicks Off Major Health System Review

It is a wide-ranging review that will look at, among other things, how the current system is placed to handle technological advances, how the evolving technological context will present opportunities and risks to the system, and what the implications are of emerging technological advances in terms of clinical tools and settings, communication and transport.

- An expert review panel is being assembled and will have its first meeting no later than Aug. It is expected to issue a final report to the Minister of Health by 31 Jan 2020.

Impact Analysis: This review could offer companies like Microsoft a chance to highlight their healthcare solutions.

Reserve Bank of New Zealand Researchers Issue Payments DLT Paper

The Reserve Bank of New Zealand is responsible for providing payment system infrastructure as well as maintaining financial system soundness. It is therefore interested in whether distributed ledger technology (DLT) could improve payments processes and how the use of DLTs could impact the stability of payment systems.

- Researchers at the Reserve Bank have issued this research paper to illustrate their understanding of DLTs and how they differ from existing payments systems.

Impact Analysis: The paper serves as a general primer on DLTs and as a good introduction to the payment system infrastructure in New Zealand. It is part of the groundwork for kicking off future DLT trials and Proof of Concepts.

Treasury Consultation on Living Standards Dashboard

It welcomes submissions until 31 Jul on what should be included in the dashboard for which it has issued a report "Treasury Living Standards Dashboard: Monitoring Intergenerational Wellbeing" and set up a website "Living Standards Dashboard Proposal Survey".

- The Treasury will issue more discussion papers in Jul.
- Measuring wellbeing will include looking at knowledge capital or how the stock of scientific, engineering and technical ideas and knowhow can be applied to the production of wellbeing.

Impact Analysis: This is part of a broader move around the globe to measure economic wellbeing beyond traditional metrics like GDP, a movement which New Zealand finds itself at the forefront.

New Zealand Consults on Draft of Marrakesh Treaty Implementation Bill

The exposure draft amends the Copyright Act 1994 so that access to published works is facilitated for those New Zealanders who are blind, visually impaired or otherwise print disabled. Public feedback is welcome until 18 Jul, before the MBIE introduces the bill to Parliament.

GCSB to Step Up Cyber Defence

The Government Communications Security Bureau (GCSB) is, after a successful pilot with Vodafone, expanding its Malware-Free Networks (MFN) threat detection service and offering it to New Zealand organisations of "national significance". This is in addition to the CORTEX advanced cyber defence capabilities the GCSB already offers to a number of organisations.

- Organisations of national significance include govt departments, key economic generators, niche exporters, research institutions and critical national infrastructure.

ComCom Releases Findings of Lenders Website Review

It reviewed 215 lenders' websites for disclosure rule compliance under the Credit Contracts and Consumer Finance Act (CCCF Act). 21% of the lenders failed to meet one or more of their obligations to display key information prominently and clearly on their websites.

New Zealand Announces Accelerated Timetable for Rural Broadband

The Rural Broadband Initiative Phase Two (RBI2) and the Mobile Black Spot Fund (MBSF) are now to be completed more or less by the end of 2021, ahead of the original completion date of end 2022. An NZD105m (USD74m) RBI2/MSBF expansion will be funded by Crown Infrastructure Partners. Rural communities will also be able to apply to the NZD1bn (USD703m) Provincial Growth Fund.

- Schedules for 1,000 km of MBSF state highway rollout and 100 MBSF tourist sites rollout were also provided.

Impact Analysis: The funding made available from the Provincial Growth Fund is interesting because this may allow rural municipal governments to build their own local networks to offer Internet connectivity, and then connect those networks to a national backbone provider. It may open up some new ways and approaches to rural connectivity.

ComCom Looking for Volunteers to Monitor Broadband Performance

It is searching for 3,000 households to participate in a nationwide effort to provide people with independent information on broadband performance across different providers, plans and technologies. This information should also spur providers to improve service performance and quality.

- Volunteers will be given a Whitebox which they plug in at home. This piece of equipment will automatically test a home's Internet performance while not recording any personal information or browsing history.
- London-based SamKnows will run the NZD2.8m (USD2m) program over the next three years. SamKnows runs a similar monitoring program for the Australian Competition and Consumer Commission (ACCC).

ComCom Issues Update on Future Fibre Regulation

The govt agency held a workshop with key stakeholders in the telecoms industry and was happy with the willingness expressed to work together on issues pertaining to the Telecommunications (New Regulatory Framework) Amendment Bill currently in Parliament.

- ComCom shared details on its upcoming study of fibre services, how it plans to maintain a high level of engagement with industry and consumer groups, and the estimated costs of implementing the new regulatory regime [thought to be NZD12m (USD8.4m) over three years].

NTC Issues Draft Circular on Reducing Interconnection Rate

Following the order from the DICT, the NTC has issued a draft memorandum circular reducing the interconnection rates for mobile voice calls from PHP2.50 to PHP0.50 per minute, and for short messaging services from PHP0.15 to PHP0.05 per text.

- The NTC has also released a draft circular mandating telcos apply and negotiate roaming agreements with each other.

Telecommuting Bill One Step Closer to Approval

The House of Representatives approved the second reading of House Bill 7402, which seeks to give employees in the private sector the option to work remotely through telecommuting.

- The proposed "Telecommuting Act" provides that an employer may offer a telecommuting program to its employees on a voluntary basis, and upon terms and conditions mutually agreed upon.

Philippines, South Korea to Cooperate on Technology, Port Project

The countries signed bilateral agreements on the New Cebu International Container Port Project between the Philippine government and the Export-Import Bank of Korea as well as memoranda of understanding for cooperation in science and technology, trade and economy, renewable energy deployment, and transportation.

- The Philippines wants to emulate South Korea's modern economy and its success in transitioning into a global economic powerhouse in technology among other things.
- KT has also proposed a project to help transform Boracay into a smart island utilizing KT's ICT solutions for energy and security use.

Impact Analysis: President Durtete's trade deals however continue to be overshadowed by his controversial actions such as the asking of an unidentified South Korean woman to kiss him in exchange for a book he was handing out on his visit to Seoul.

AWS Organizes Free Cloud Training Program

The four-day "Siklab Pilipinas" training event organized together with the PSITE (Philippine Society for IT Educators) was the first held by Amazon Web Services (AWS) to enhance skills in cloud computing among students and educators. It consists of around 30 hours of lectures, hands-on practice using AWS cloud services, and a hackathon with challenges related to real-life scenarios.

DICT, TransCo, and NGCP Sign Fibre Agreement

The three parties signed a tripartite agreement to clarify ownership of the cables between the National Transmission Corp (TransCo) and the National Grid Corp of the Philippines (NGCP) which hopes to lead to a speedier implementation of the govt's National Broadband Plan (NBP).

- Under the agreement DICT will acquire the right to use and/or access spare fiber optic cores, vacant lots, tower spaces, and related facilities of the NGCP, the current concessionaire of the TransCo.-owned grid.

Singapore and India Advance Fintech Cooperation

The Department of Economic Affairs (DEA) and Monetary Authority of Singapore (MAS) have signed an MoU with the govt of India to strengthen the cooperation in financial innovation between Singapore and India through the establishment of a Joint Working Group (JWG). The continuation of collaboration for both markets is to undertake joint innovation projects, learning from each other and progressing together with the aim to drive, not only between both countries, but also international competitiveness in fintech.

- The two markets are already making progress in fintech cooperation through the following initiatives: 1) creating a cross-border payment linkage between NETS and National Payments Cooperation of India (NPCI) with the establishment of Singapore's PayNow and India's Immediate Payment Service (IMPS); 2) establishing the payment linkage between NETS payment cards and RuPay merchants in India; 3) enabling NETS merchants to receive payments made through the Bharat Interface for Money (BHIM) app.

eSIM Consultation Launched

IMDA has issued a consultation paper on embedded SIM technology to seek views and comments from the public and the industry on the impact of eSIM technology in Singapore's context.

- All submissions must reach IMDA by 18 Jul 2018.

MAS Issues Consultation Paper on Proposed e-Payments User Protection Guidelines

MAS has issued a consultation paper on proposed guidelines to protect users of e-payments. The consultation forms part of the MAS' broader initiative to modernise and streamline the existing payment services regulatory framework in Singapore.

- The guidelines aim to make e-payments transaction simpler and more secure for individuals and micro-enterprises. The guidelines would require financial institutions to provide individuals and micro-enterprises with timely notifications of e-payment transactions and setting resolution processes for unauthorised e-payments. Responsibilities will also be set out for e-payments users.

Singapore Launches Digital Government Blueprint to Support its Smart Nation Vision

The Digital Government Blueprint outlines how the govt will reorganise and transform itself to deliver public services better through the use of technology.

- The govt will hold itself a set of KPIs to be achieved by 2023 as part of the blueprint for e-payments and digital signature.

MCI Unveils Blueprint, Announces Initiatives on AI Governance and Ethics

MCI released a blueprint which comprises of strategies and recommendations, and later announced the initiatives on AI governance and ethics.

- The blueprint contains recommendations on providing access to technology, driving digital literacy and encouraging the involvement of people in strengthening digital readiness.
- The blueprint is made by the Digital Readiness Workgroup.
- The three AI governance and ethics initiatives announced are: 1) the creation of an Advisory Council on the ethical use of AI and Data; 2) a discussion paper by the PDPC on responsible development and adoption of AI; and 3) a five year research programme on the governance of AI and data use.

KITA Partners Alibaba to Help Local SMEs with E-commerce

The Korea International Trade Association (KITA) will work with Alibaba to help local SMEs tap on e-commerce to export their goods to the Chinese and other overseas markets. SMEs will be able to utilize Alibaba's extensive platforms and tools to boost sales through better brand marketing and product distribution.

Estimated USD37.2m Stolen in Coinrail Cryptocurrency Hack

The virtual currency exchange lost about 30% of its virtual coins traded with an estimated initial loss of KRW40bn (USD37.2m).

Impact Analysis: This is the second major cryptocurrency hack following Japan's Coincheck earlier this year, and appears to signal that cryptocurrency exchanges are not adequately equipped to deal with cyber attacks just yet. The lack of regulatory oversight and vulnerabilities exposed continue to expose weaknesses in the current cryptocurrency ecosystem.

Govt Releases Medical and Transport Cybersecurity Guide

The MSIT and Korea Internet and Security Agency (KISA) jointly released the Smart Medical Cybersecurity Guide and Smart Transport Cybersecurity Guide respectively which provide guidelines for promoting the internalisation of security measures by users of smart medical or transport devices, as well as stronger security awareness.

US-North Korea Summit Bait E-mail Used to Spread Malware

Emails using subject and content related to the planned US and North Korea summit have been used to spread malware through an attachment containing a remote access Trojan. The emails have been spread to Naver accounts in South Korea and has keylogging and remote control functions.

MOST Collaborates With Three Tech Firms to Develop AI Platform

MOST unveils its partnership with Asustek Computer, Taiwan Mobile and Quanta Computer to boost AI innovation and development through a collaborative platform based on cloud technology. The platform is scheduled to start operation in December on a trial basis where academic and businesses can conduct research, develop and test AI applications.

- Several AI programs have been launched recently by companies including TSMC, Google's Smart Taiwan program and HTC's DeepQ AI platform for healthcare technology development.

NCC Commences Public Consultation on 5G Spectrum Plan

The consultation solicits views on several aspects of spectrum allocation and management including: 1) Maturity in the development of 5G technology standards, equipment, product and service application; 2) Suitable timeline for spectrum assignment; 3) Key considerations for the regulator when conducting 5G spectrum planning and licensing; 4) Allocation of 3.4-4.2 GHz for 5G mobile communications services; 5) Mechanism for managing interference between 5G and satellite service and 6) current development on the high frequency band above 6GHz.

- Prior to the consultation, the NCC had granted Asia Pacific Telecom (APT) the first licence to conduct 5G trials on 1775-1785MHz, 1870-1880MHz, 3.4GHz-3.5GHz spectrum bands. The approval procedures have been simplified to facilitate network trials and the development of 5G technology.
- Apart from telecom operators, equipment manufacturers, existing users/licence holders of the spectrum under discussion are invited to comment.
- Consultation period will end on 29 Jun

Impact Analysis: NCC is well aware of the importance of 5G service deployment to Taiwan's digital economy development and kick-started the consultation and preparation work for spectrum assignment early. The regulator also stresses the flexible and light-handed approach it will undertake in approving network trials and spectrum management to ensure an optimal plan can be derived to facilitate 5G development, which is the backbone of digital transformation and a broadband society.

Three Telcos Penalized for Poor Management of Service Plan Sale

The low-cost plan sale launched by Chunghwa Telecom, Taiwan Mobile and Far EasTone attracted over 2mn applications in a week to switch plan or operator. The National Communications Commission (NCC) ruled that all three operators have contravened Article 73 of the Regulations for Administration of Mobile Broadband Businesses when offering the new service plan.

- CHT received the heaviest fine of NTD2mn (USD67,000) for failed to arrange sufficient customer service personnel to effectively handle the applications which in turn compromised service quality and infringed employees' rights.
- NCC will regularly measure the speed of mobile Internet access to ensure subscribers receive similar service regardless of the tariff they pay.

Impact Analysis: The swift action taken by the regulator sent a strong signal to the mobile operators that cut-throat price competition can bring many undesirable consequences to employees, customers, the company and the society and should be caution against in future. Operators should focus on service quality and innovations especially when 5G is up-coming.

Thailand Proposes Digital Government Act

Open for comments until 30 Jun, Thailand's proposed Digital Government Act aims to increase the use of digital technology and improve the management of govt data. It requires all govt agencies to abide by Thailand's Digital Government Development Plan 2017-2021 and accordingly align their action plans.

- The main requirements are as follows: (i) Digitisation of data and public service provision; (ii) Linkage of govt agencies and increased information sharing; (iii) Disclosure of public information to citizens via digital modes; and (iv) Formation of a Digital Government Board.

Govt Proposes Formation of Digital Council in Thailand

The govt is accepting comments until 30 Jun on its proposal to establish a Digital Council for the Economic and Social Commission of Thailand as a private sector organisation, which will collaborate with the govt to enhance the development of digital technology in Thailand.

- Its specific goals include: 1) Driving human resource development and economic and social development in the digital era and supporting entrepreneurs and SMBs; 2) Working with the govt to build Thailand into a digital society and providing access to quality digital services; and 3) Ensuring Thailand is equipped to compete in the global digital landscape.

SEC Approves Guidelines on Digital Asset Supervision

In its meeting on 7 Jun, the Securities and Exchange Commission (SEC) approved the "Digital Assets Decree", which aims to establish supervisory requirements for the operation of digital asset exchanges and regulate the issuance of digital tokens and trading of cryptocurrencies. The Digital Assets Decree was first issued by the Thai Cabinet in May, which was followed by public hearings conducted by the SEC.

- As per the guidelines, all those involved in digital asset trade must apply for operating licenses and receive approval for conducting a digital asset business. In order to get approval, digital token issuers must state clearly the type of tokens being issued and provide investment information.
- Public offering of digital tokens must be conducted through a SEC approved digital token offering system provider or an "ICO Portal", which is registered in Thailand with a minimum paid up capital of THB5m (USD152,000).
- The SEC has put in place penalties for those selling unauthorised digital tokens and soliciting unauthorised cryptocurrency investments.

Thailand Aiming to Become Global Start-up Destination

Sponsored by True Corporation, the True Digital Park in Thailand aims to provide a complete digital ecosystem and hub to aid the development and growth of start-ups. As per the head of the True Digital Park, Thailand can become a global destination for start-ups due to its favourable geographic location in the heart of Southeast Asia and the support from govt initiatives aimed to encourage the growth of start-ups in Thailand.

- The govt has implemented the Smart Visa project, exempting start-ups from corporate income tax for five years, and similarly exempting co-working spaces for 8 years and venture capitalists for 10 years from paying corporate income tax.
- The establishment of 15 innovation districts to help start-ups with their operations is also seen as a positive move to create a favourable environment for start-ups to grow and succeed.

NBTC Asked to Set up 5G by 2020

Deputy Prime Minister Somkid Jatusripitak asked NBTC to develop the necessary telecom infrastructure required to fully adopt 5G by 2020. He highlighted the progress Thailand has made towards becoming a digital economy with the govt having invested in IoT, big data and AI and the current trade value of the e-commerce sector having reached USD80bn.

- NBTC plans to allocate 380MHz of spectrum by 2020, which includes 180MHz of bandwidth in the 2600MHz spectrum band, 90MHz of bandwidth in the 1800MHz band, and 90MHz in the 700MHz band.

MIC Lobbied to Allow Scratch Cards for Payment Services

MobiFone and Vietnam Multimedia Corporation (VTS) have approached the MIC to allow scratch payment cards for digital content services. This follows the halt of scratch cards for non-telecommunications services in May 2018.

- **Impact Analysis**: Revenues have dropped for MVNOs and telcos who rely on scratch card payment from users who wish to purchase digital services, but who do not own credit cards or other digital banking services.

Cybersecurity Law Passed by National Assembly with 86.86% positive vote

The draft law will take effect on 1 Jan 2019, and demands data localisation for internet services storing essential data of local users. It also demands a local business presence by international internet platform businesses who handle local user data.

- **Impact Analysis**: The Cybersecurity Law has been criticised by many local and international stakeholders as one which will be used (and abused) to stifle online dissent. Business transactions exporting services of local Vietnam companies will also find their ability to use cross-border data will be limited, and thus the ecommerce economy may grind to a complete halt.

Increasing Chinese-Issued POS Machines Bypass Vietnam's Financial System

An increasing number of Chinese-owned businesses operating in Vietnam are using Point-of-Sale (POS) machines to receive Chinese Yuan payment from Chinese tourists, which violates payment licensing schemes, and bypasses Vietnam's financial system.

- **Impact Analysis**: The proximity of China to Vietnam has allowed the tourist population to grow to 1.8 million Chinese tourists visiting the country in Q1 2018. The tax revenue lost from this illegal practice will likely be immense, but Vietnam authorities will be hard-pressed to crack down on these transactions.

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.

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