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Session IV: Digital era and its impact on comprehensive security

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Madame Chairperson, Excellences, Ladies and Gentlemen, it is a great honour and pleasure to participate the First Preparatory Meeting of the 27th OSCE Economic and Environmental Forum. I feel privileged to share the experience of Kyrgyzstan and my Office. The topic to be discussed is very timely, since it matches with the priorities of Kyrgyzstan and the processes taking place in the country.

I will divide my intervention into two parts: first, I will speak about the digitalization in Kyrgyzstan and what my Office does in promoting digitalization in line with the OSCE comprehensive security model. Then, I will speak about the results of the International Conference on e-Business and e-Commerce that my Office organized in Bishkek late last year.

Madame Chairperson, dear participants,

According to the National Development Strategy of the Kyrgyz Republic for 2018–2040, called “Strategy 2040”, which was approved by the President in November 2018, Kyrgyzstan strives to become a country with a developed information society, based on three important pillars: first, innovations and knowledge, second effective, transparent and accountable public administration without corruption, and third active participation of citizens of the country as users of digital technologies and services.

In order to create favourable conditions for the effective digitalization of the country, another strategic document, the Digital Transformation Concept “Digital Kyrgyzstan 2019-2023” was approved by the Security Council of the Kyrgyz Republic last month (December 2018). It foresees a state-wide effort to modernize the functioning of the country in all arrays of life, built on international and national experiences.

Furthermore, the President of the Kyrgyz Republic announced 2019 as a “Year of Regional Development and Digitalization of the Country” and urged to consolidate the efforts of the state, the private sector and the civil society to accelerate the digital transformation and transition to a digital economy. Given the extent of this initiative, the successful implementation requires concerted efforts and resources. In this context, we provide policy- and capacity-building support to implement the strategic documents and initiatives.

The current digitalization in Kyrgyzstan is a continuous process which takes into account lessons learned and former efforts to further improve and reform the country. It can bring with it security challenges, but it can also assist in addressing them. The POiB is an effective partner of the Kyrgyz government to promote the digitalization of the country. We implement several activities with success and we advise the Prime Minister Office. I will share some concrete examples on how the OSCE assists addressing the digital transformation and some of its security challenges; I will touch upon the cooperation we facilitate between

the State and the private sector, as well as multi-stakeholder co-operation to mitigate security risks.

In 2017-2018, the OSCE Programme Office in Bishkek assisted the state-wide digital transformation effort called “Taza Koom”, which means “Clean Society” in Kyrgyz. Taza Koom had an ambitious agenda. It achieved concrete results in developing digital technologies by converting state services in digital format and online, thus laying sound basis for e-Governance in the country. It also had many lessons learnt; the most significant are the importance of coordination between institutions, sustainability which includes sound funding strategy and change of mind-sets. Some of its results, in which the OSCE assisted, included the introduction of biometric passports, the support for an electronic platform which laid the foundations for the digital connection between state institutions, and the simplification of work between justice and law enforcement agencies.

More recently, Kyrgyzstan launched the operationalization of “Tunduk” electronic platform and turned to the OSCE to assist in its implementation, in line with international standards and by taking into account good practices already gained in other States. Moreover, Kyrgyzstan’s accession to the international Open Government Partnership initiative OGP, as first Central Asian country, represents a milestone in Open Data Governance. What are these initiatives important from a security perspective?

Tunduk is an ambitious project aiming at connecting all state structures to a single network, which will boost the efficiency of public administration and reduce corruption. The fight against corruption is a priority of the President and was declared as a major security risk, contributing to public mistrust and hampering economic development.

Tunduk is based on the Estonian “X-Road” system; it started to be implemented in 2017 and is currently being operationalized. With the interconnection of state institutions through a single digital network, the state can provide now services through an automated “single-window”, where citizens are not exposed to corruption schemes. The single-window principle eliminates tedious walks of citizens to state institutions to receive a number of administrative documents, therefore strongly increasing efficiency and facilitating the life of citizens.

By request of the President, we are currently supporting the establishment in the South of the country – in Osh – the opening of a Single-Window Centre of the Ministry of Interior that is fully digitalized and inter-connected with other state institutions. Citizens will provide biometric data which will be used to establish a wide range of official documents and complete payment processes directly at the Single-Window Centre. This Center will not only contribute to combating corruption, but also increase trust and community cohesion with the police and increased transparency.

The Open Government Partnership or OGP is an international initiative that foresees a partnership between government and civil society in the process of implementing reforms. It also includes an Open Data Policy. Kyrgyzstan joined OGP in late 2017 and has turned to the OSCE as a key implementing partner. By joining OGP, Kyrgyzstan has committed itself at making public administration more transparent and modern. It foresees the use of digitalization and logically builds on the Tunduk platform to provide high-quality and efficient public services, implement open data policy, transparent public procurement, and even including transparency within the mining industry – a sector that poses a number of security and environmental challenges in Kyrgyzstan.

My Office assisted the establishment of an OGP Secretariat and the development of the first OGP National Action Plan (NAP) 2019-2020. The NAP was developed through a consultative, multi-stakeholder involvement process with the active engagement of civil society through permanent representation in public hearings and decision-making. In total 18 ambitious commitments were elaborated, including wide-ranging set of initiatives, such as open data in health and education, public engagement in fighting corruption, open budget, transparency in public procurement, transparent and accountable budgeting for elections. One of the value of OGP, is that the fulfilment of commitments can be followed on-line, which promotes the visibility of OGP reforms and access to information for the public. This may seem obvious, however carries great added-value in fostering public cohesion and stability.

Finally, my Office is also assisting the host country in combating crime and implementing wide-ranging justice reform. With the recent entering into force of a new criminal code starting 1st January 2019, my Office has been assisting Kyrgyzstan throughout 2018 and will continue to do so in 2019, in developing and implementing an electronic Unified Crime Registry. By request of the Prime Minister's Office, and in support of the Prosecutor General's Office, the OSCE has been providing expertise and trainings in the development and use of an electronic Unified Crime Registry, which is also benefitting from the before-mentioned Tunduk platform.

The Unified Crime Registry interconnects police inspectorates, prosecutors and investigators electronically, allowing for the registering, logging, and processing of criminal cases with efficiency and transparency that the country has never seen before. As of today, the system has been rolled-out and is functioning. We will remain committed to assisting Kyrgyzstan in implementing its justice reform and upholding the rule of law country-wide.

Dear Mr. Chairperson, dear participants,

On 1-2 November 2018, my Office, together with the Ministry of Economy of the Kyrgyz Republic, organized the International Conference on Promoting Economic Prosperity and Growth through e-Business and e-Commerce. It saw the participation of 130 experts from the private and public sectors from the Commonwealth of Independent States, the European Union, Eurasian Economic Union and GUAM states. It also saw the participation of the OSCE Chairmanship and the World Customs Organization. The event served as a successful platform for constructive discussion, exchange of knowledge and information between participants, and highlighted a real need to continue discussions. The working sessions included the following topics:

- Creating the favourable policy and regulatory environment for e-business/e-commerce;
- Co-operation between government and private sectors in developing e-business;
- Building strong and sustainable e-commerce;
- Strengthening confidence in the digital market;
- Role of e-business and e-commerce in Central Asia.

The main outcomes were the following:

- First, the lack of trust of internet users towards digital platforms seems to have the most negative impact in the development of e-Business and e-Commerce.

- Second, the lack of effective legal frameworks and harmonized procedures between states for promoting business, including digital markets, represent a real barrier to business and commerce development; it is necessary to establish legal framework facilitating business and commerce. It is imperative to create comprehensive national legal frameworks which are adaptive and compatible with requirements of market unions. A recommendation of particular importance was done in favour of well-functioning rule of law.
- Third, there is an urgent need to implement necessary steps to promote data security, security of payments and privacy of information; leakage of private data has the most harming effects to online services.
- Finally, there was a call from business community for avoiding the creation of unnecessary obstacles and taxes by governmental bodies, and to enhance public-private partnerships.

Another constrain for the Central Asian region in promoting digital markets is the lack of investments and logistical infrastructure. Even though Central Asia is currently improving neighbourly relations and economic integration, cross-border trade still remains relatively low and the potential for economic development is underused. The conference also recommended harmonization in the area of customs and facilitation of tax collection; indeed, it is still difficult to detect to which category shipments apply, due to poor information, lack of labelling and poor tracking provided to customs authorities. Therefore, the harmonization of customs procedures is a topic the OSCE could work on in the future, in co-operation with the World Customs Organization.

My Office plans to organize a follow-up conference together with the WCO later this year. It would be my pleasure to discuss this topic further during our following discussions. Increased cross-border trade, especially in emerging markets and landlocked countries, contributes to economic growth and security. Trade connectivity and transport facilitation are strong contributing factors to good neighbourly relations and confidence building.

Allow me to conclude by saying that the OSCE Programme Office in Bishkek will continue to put much effort towards the promotion of good governance, as a driving force for inclusive and sustainable economic development, also in the era of new technologies. We will do it in-line with OSCE commitments and the 2019 Slovak Chairmanship priorities, in line with our mandate.

Let me thank you for your attention, and for the continued political and financial support you're giving to our work.