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"Promoting economic progress and security in the OSCE area through innovation,
human capital development, and good public and corporate governance"

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Session II: Boosting innovation, competitiveness and employment
through digital economy

Speech by Ambassador Pierre von Arx, Head OSCE Programme Office in Bishkek

Mr. Chairperson, ladies and gentlemen, dear Colleagues,

I am extremely delighted to participate to the 26th OSCE Economic and Environmental Forum and I feel privileged to present the work of the Economic and Environmental Dimention of the OSCE Programme Office in Bishkek in the area of digital economy. I would also like to express my gratitude to the organizers for offering this excellent opportunity to share the experience of beneficial cooperation between a field mission and its host State.

A general principle guiding the work of my Office is the commitment to deliver high quality support, services and expertise to the Kyrgyz Republic, which is based on a strengthened partnership with the host government. This fundamental principle has been re-emphasized in our new mandate. At the request of the host State, our mandate reflects increased activities within the second dimension, with emphasis on economic and social aspects of security. Even though our mandate implies an increase of the spectre and coverage in the second dimension, our activities remains within the framework of policy- and capacity-building which characterize the OSCE, which - I would like to recall - is not a development agency.

At the same time, the OSCE Programme Office in Bishkek remains in constant dialogue and coordination with other international organizations and development partners concerning its programmatic activities. We regularly participate in donor coordination meetings, as well as engage in thematic working groups. Thus, we ensure that our activities are coordinated with the international presence on the ground, as well as partnered where applicable and complemented when needed.

In the next few minutes I intend to share the concrete examples of our work on digital economy in support of the Kyrgyz Republic, which is captured the spirit of the governmental "Taza Koom" initiative. But before, it makes sense to briefly explain what is this initiative about: "Taza Koom" means open and transparent society and is a digital transformation strategy of the country based on human capital, modern technologies, innovations and knowledge. "Taza Koom" aspires to be inclusive and relevant for all people of Kyrgyzstan. The goal of the strategy is to build a transparent digital state, to increase the

quality of life and welfare of citizens as well as to boost the favorable business environment. This is also an excellent tool to prevent corruption. Therefore I cannot avoid emphasizing the importance of supporting the Kyrgyz Government's efforts.

Taza Koom programme is implemented through such key directions as: improvement of the business regulatory environment; provision of digital services and data opening; construction of modern infrastructure; and development of human capital. Let me present the avenues that the OSCE Programme Office in Bishkek is pursuing in partnership with governmental agencies, with the aim of further advancing the goals of "Taza Koom" and digital economy. In order to implement the main projects of "Taza Koom", Kyrgyzstan needs assistance in creation of favourable regulatory policy and environment to develop the digital economy, knowledge and expertise in electronic transformation and building a digital infrastructure.

One of our flagship projects - called "Strengthening the Regulatory Governance" - aims at improving the business environment in the country and is conducted in close partnership with the Prime Minister's Office. We support the Kyrgyz authorities' efforts in establishing a competitive business environment by strengthening regulatory mechanisms. A key emphasis of the project is placed on the implementation of the regulatory simplification mechanism known as "Regulatory Guillotine", which identifies duplications and conflicting provisions in the legislative framework. Another emphasis was made on integrating the project's Regulatory Impact Assessment into the policy and decision-making processes. The underlying logic of this project is that a simplified and streamlined legal framework that regulates economic activities would stimulate market-driven growth, create a favourable investment climate, and reduce opportunities for corruption and conflict of interests. Implementation of recommendations developed under this project will significantly reduce business administrative costs and will increase investment attractiveness of the country.

Furthermore, responding to a request of Prime Minister Isakov, my Office developed and started in November 2017 the implementation of the "Taza Koom Research Centre" project. The project aims at providing strategic analysis, research and advisory capabilities to the office of the Prime Minister on the implementation of the national e-governance Taza Koom programme. In addition, my office is supporting local and international experts who provide high-quality research, analysis and advising on the implementation of "Taza Koom" program; we also facilitate the participation of Kyrgyz experts in relevant international events abroad.

These examples shall give you a flavour of the work that we are doing on digital economy in Kyrgyzstan ; I would like to underline that Taza koom project is larger and is covering all three dimensions of our work.

Let me now share with you our ideas on how the Programme Office in Bishkek could further contribute in supporting the host State in boosting innovation, competitiveness and employment through digital economy:

- In partnership with the Government of the Kyrgyz Republic, we plan to organize an e-Business Conference this year in Bishkek probably to be conducted probably in June. The main aim of the conference is to examine the e-business landscape in OSCE participating states and especially in developing economies, to consider the existing challenges and opportunities, and to explore practices which have been successful in other developed economies.

- This year we will support the creation of a unified state portal of legislative initiatives. This portal will help to systematize the process of state regulation and will exclude various collisions, contradictions and duplications in the legislation.

- We will also continue providing experts support in creation of a favourable ICT ecosystem by improving legislation and efficient state regulation policy by assessing the existing legislation and drafting new necessary regulations to promote digital economy.

Mr. Chairperson, dear colleagues,

Last, but not least, I would like to inform you that the Kyrgyz Republic is the first Central Asian country that joined the international initiative of the "Open Government Partnership" (OGP) in November 2017. My Office received a request from the government to assist the country in the implementation of the international program OGP in the Kyrgyz Republic. Taking into account the importance of this initiative for the country, we intend to support the government by the following:

- To involve national and international experts in establishing favourable regulation/policy to implement the "Open Government" project and "Open Data" project;
- To provide support in designing and transforming the website of the Government of the Kyrgyz Republic in a friendly and convenient portal where any citizen can find the necessary information on one portal;
- To provide support in increasing the capacity of public authorities' press services to provide important information, including "open data".

I hope these examples were able to give you a sense of the added-values of OSCE field mission might deliver in close cooperation with its host State, by rapidly responding to emerging strategic needs. I thank you for your attention.