
THE TECHNOLOGY,
MEDIA AND
TELECOMMUNICATIONS
REVIEW

SEVENTH EDITION

EDITOR
JOHN P JANKA

LAW BUSINESS RESEARCH

THE TECHNOLOGY,
MEDIA AND
TELECOMMUNICATIONS
REVIEW

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EDITOR'S PREFACE

This fully updated seventh edition of *The Technology, Media and Telecommunications Review* provides an overview of evolving legal constructs in 28 jurisdictions around the world. It is intended as a business-focused framework for both start-ups and established companies, as well as an overview for those interested in examining evolving law and policy in the rapidly changing TMT sector.

Broadband connectivity and wireless services continue to drive law and policy in this sector. The disruptive effect of new technologies and new ways of communicating creates challenges around the world as regulators seek to facilitate the deployment of state-of-the-art communications infrastructure to all citizens and also to use the limited radio spectrum more efficiently than before. At the same time, technological innovation makes it commercially practical to use large segments of 'higher' parts of the radio spectrum for the first time. Moreover, the global nature of TMT companies compels them to address these issues in different ways than before.

A host of new demands, such as the developing 'Internet of Things,' the need for broadband service to aeroplanes, vessels, motor vehicles and trains, and the general desire for faster and better mobile broadband service no matter where we go, create pressures on the existing spectrum environment. Regulators are being forced to both (1) 'reform' existing spectrum bands, so that new services and technologies can access spectrum previously set aside for businesses that either never developed or no longer have the same spectrum needs, and (2) facilitate spectrum sharing between different services in ways previously not contemplated. Many important issues are being studied as part of the preparation for the next World Radio-communication Conference to be held in 2019. No doubt, this conference will lead to changes in long-standing radio spectrum allocations that have not kept up with advances in technology, and it should also address the flexible ways that new technologies allow many different services to co-exist in the same segment of spectrum.

Legacy terrestrial telecommunications networks designed primarily for voice are being upgraded to support the broadband applications of tomorrow that will extend economic benefits, educational opportunities and medical services throughout the world. As a result, many governments are investing in or subsidising broadband networks to ensure that their citizens can participate in the global economy, and have universal access to the vital

information, entertainment and educational services now delivered over broadband. Many governments are re-evaluating how to regulate broadband providers, whose networks have become essential to almost every citizen. Convergence, vertical integration and consolidation also lead to increased focus on competition and, in some cases, to changes in the government bodies responsible for monitoring and managing competition in the TMT sector. Similarly, many global companies now are able to focus their regulatory activities outside their traditional home, and in jurisdictions that provide the most accommodating terms and conditions.

Changes in the TMT ecosystem, including increased opportunities to distribute video content over broadband networks, have led to policy focuses on issues such as 'network neutrality' – the goal of providing some type of stability for the provision of the important communications services on which almost everyone relies, while also addressing the opportunities for mischief that can arise when market forces work unchecked. While the stated goals of that policy focus are laudable, the way in which resulting law and regulation are implemented has profound effects on the balance of power in the sector, and also raises important questions about who should bear the burden of expanding broadband networks to accommodate the capacity strains created by content providers and to facilitate their new businesses.

The following chapters describe these types of developments around the world, as well as the developing liberalisation of foreign ownership restrictions, efforts to ensure consumer privacy and data protection, and measures to ensure national security and facilitate law enforcement. Many tensions exist among the policy goals that underlie the resulting changes in the law. Moreover, cultural and political considerations often drive different responses at the national and the regional level, even though the global TMT marketplace creates a common set of issues.

I would like to take the opportunity to thank all of the contributors for their insightful contributions to this publication and I hope you will find this global survey a useful starting point in your review and analysis of these fascinating developments in the TMT sector.

John P Janka

Latham & Watkins LLP

Washington, DC

October 2016

Chapter 14

KAZAKHSTAN

Yerzhan Yessimkhanov and Darya Ryapissova¹

I OVERVIEW

Development in the ICT sector is one of the top priorities of the government.

The main legislative acts regulating ICT activity in Kazakhstan are the following:

- a* the Law on Communications No. 567-II, dated 5 July 2004 (Communications Law);
- b* the Law on Mass Media No. 451-I, dated 23 July 1999;
- c* the Law on Information Technologies No. 418-V dated 24 November 2015;
- d* the Law on TV and Radio Broadcasting No. 545-IV, dated 18 January 2012 (TV and Radio Broadcasting Law);
- e* the Rules on Provision of Communication Services approved by the Order of Acting Minister on Investment and Development of the Republic of Kazakhstan No. 171, dated 24 February 2015; and
- f* the Law on Permits and Notifications No. 202-V dated 16 May 2014 (Licensing Law).

Regulations in the ICT area in Kazakhstan cover telecommunications, radio and TV broadcasting, IT, internet communication and mass media.

The current growth of ICT activity in Kazakhstan is a result of the adoption and implementation of the following government policies:

- a* the Kazakhstan 2050 Strategy 'A path for the young generation';
- b* the programme of forced industrial-innovative development of Kazakhstan for 2010–2014 and for 2015–2019;
- c* the National Programme for the Development of Digital TV-Radio-Broadcasting in Kazakhstan for 2008–2015 approved by Government Resolution No. 1355 dated 29 December 2007; and

¹ Yerzhan Yessimkhanov is a partner and Darya Ryapissova is a lawyer at GRATA International.

- d* the national 'Informational Kazakhstan 2020' programme approved by Decree of the President of the Republic of Kazakhstan No. 464 dated 8 January 2013.

A more detailed outline of these policies and trends in ICT sector is provided in Section VI, *infra*.

II REGULATION

i The regulators

ICT matters in Kazakhstan are regulated by the government, the Committee of Communication, Information Technologies and Information (Committee) and the Ministry of Investment and Development (Ministry).

In terms of certain specific activities in the ICT area, some functions are carried out by the Ministry of Defence, local governments and the Inter-Departmental Commission on Radio Frequencies.

The Committee:

- a* takes part in the development and implementation of national policies and programmes;
- b* develops rules and regulations, legislative acts and requirements in the ICT area;
- c* prepares and develops investment projects in the ICT area;
- d* coordinates ICT activities;
- e* issues permits and conclusions required for ICT activities;
- f* controls and supervises the compliance of ICT-related activities with the applicable legislation;
- g* arranges tenders for TV and radio broadcasting activities; and
- h* issues legislative acts in the ICT area.

The Ministry takes part in the development and implementation of national policies and programmes in the communication area, prepares and develops legislative acts, requirements, rules and regulations regulating the communication area, and issues licences.

The powers and competencies of the Ministry and the Committee are stipulated by the legislative acts mentioned in Section I, *supra*.

ii Regulated activities

Communications services

Pursuant to the Licensing Law, the provision of communications services is subject to a licence.² This includes the following types of activities:

- a* long-distance (inter-city) telephone communication;
- b* international telephone communication;
- c* mobile satellite service; and
- d* cellular communication.

² Annex 1 to the Licensing Law.

*TV and radio broadcasting activities*³

Pursuant to Annex 1 to the Licensing Law, a licence is required for the following activities:

- a* the distribution of television and radio channels;
- b* the import of civil radio-electronic or high-frequency devices, including built-in devices and devices included in other goods; and
- c* the import and export of special technical devices intended for the covert obtaining of information.⁴

To obtain a licence, applicants have to pay a licence fee and submit documents to the authorities, including incorporation documents and documents confirming the applicant's compliance with qualification requirements. Qualification requirements may vary depending on the type of activity. The documents for obtaining licences may be submitted via the e-government web portal or directly to the relevant authorities. The communication licences are normally issued within 15 business days from the date of submission of the documents. However, the consolidation of documents required to make an application may take up to two or three months.⁵

For TV and radio broadcasting activity in Kazakhstan, companies that are going to use the RF spectrum should obtain a spectrum-use permit from the Committee. This procedure can take up to two months.

If the entities do not ultimately make use of the allocated spectrum for a period of one year, then the permit is subject to revocation by the Committee.⁶

iii Ownership and market access restrictions

ICT activity in Kazakhstan is strictly regulated by the law, which includes restrictions on the ownership and market access of ICT companies. The principal restrictions are as follows:

- a* foreign individuals and legal entities may not directly or indirectly possess more than 49 per cent of voting shares or interest shares of legal entities conducting activity as operators of long-distance international communication using land (cable, fibre-optic or radio-relay) connection cables;
- b* foreign individuals and legal entities may not directly or indirectly possess more than 20 per cent of the shares of legal entities that own mass media firms or that themselves conduct activity in the area of mass media in Kazakhstan;
- c* individuals and legal entities may not acquire more than 10 per cent of the voting shares or interest shares of companies conducting activities as operators of long-distance or international communication without the approval of the Committee;⁷ and

3 Annex 1 to the Licensing Law.

4 Article 37 of the Licensing Law. List of goods the export and import of which are subject to licensing, licensors and state authorities implementing the issuance of licences approved by a Resolution of the Government of the Republic of Kazakhstan No. 287 dated 24 April 2015

5 Article 30 of the Licensing Law.

6 Article 12.8-1 of the Communication Law.

7 Article 23 of the Law on National Security No. 527-IV, dated 6 January 2012.

d individuals and legal entities that have obtained a permit for use of RF spectrum may not transfer this right to other entities.⁸

iv Transfers of control and assignments

As a general rule, communication licences may not be transferred or assigned to third parties.⁹

Licences are subject to re-issuance in certain cases, including the reorganisation of an entity (merger, consolidation, separation, transformation, demerger). In this case, the entity must submit an application for re-issuance of the licence and pay the licence fee.

Licences are subject to termination in the following cases:

- a* expiry of the licence;
- b* full implementation of the activities for which the licence was issued;
- c* rejection of the application for a licence;
- d* the winding-up of a legal entity;
- e* an applicant requests the termination of the licence application;
- f* the licence or a certain type of activity is annulled; or
- g* the licensee is excluded from a list of entities subject to licensing.

In the event of any of the above, the legal entity should return the licence to the authorities within 10 business days.

Mergers and acquisitions of legal entities are limited by antitrust legislation. Pursuant to the laws on antitrust,¹⁰ the reorganisation of companies by merger and consolidation, or the purchase of a 50 per cent or more share interest or voting share, are subject to approval by the Committee on regulation of natural monopoly and protection of competition of the Ministry of National Economics (Antimonopoly and Competition Committee). Approval from the Antimonopoly and Competition Committee is required when the total book value of assets of reorganised companies or an acquirer, as well as companies of which the voting shares are being acquired or their total turnover for the preceding financial year exceeds US\$81 million, or when one of the entities of such transaction has a dominant or monopoly position in the market.

In some cases, approval from the Antimonopoly and Competition Committee is not required, such as when the transaction is made within one affiliated group of companies.

In order to obtain approval, an application should be submitted to the Antimonopoly and Competition Committee, and should include the incorporation documents of the companies, and information about the shareholders, managers, shares and the scope, export and import of production of companies. The Antimonopoly and Competition Committee makes a decision within 50 days from the date of submission of application; however, in practice, consideration of an application may take longer.

8 Article 12.5-1 of the Communication Law.

9 Annex 1 to the Licensing Law.

10 Articles 200 and 201 of the Entrepreneurial Code of the Republic of Kazakhstan No. 375-V dated 29 October 2015.

III TELECOMMUNICATIONS AND INTERNET ACCESS

i Internet and internet protocol regulation

The legislation regulating the internet and telecommunications is a developing sphere of local law. However, due to the rapid development of technology, local legislation sometimes may not regulate all such innovations. In that regard, there is no special legislation on IP-based services as distinct from legislation on internet and communications and informatisation. Internet-related activities are mostly regulated by the Communications Law. It provides similar requirements for all communication services, although each type of service can be governed by specific law.

ii Universal service

Currently, the government takes part in projects directed to the development of telecom and broadband infrastructure. The main contributors in such projects are the government and the Ministry. There are some special programmes to support the development of the telecom infrastructure. One programme is the state-run Informational Kazakhstan 2020 programme, which was launched on 8 January 2013. This programme provides a significant amount of funds for the creation and modernisation of ICT infrastructure, information technologies and mobile communications. Due to the capital intensity of the projects for the modernisation of telecommunications and the difficulty of attracting financing for such projects, the government may also grant incentives primarily to the area of the financing of infrastructure projects.

iii Restrictions on the provision of service

The conditions for providing network services are based on the Rules of Rendering of Communication Services. However, the Rules do not cover all the conditions necessary to regulate access to the network. Network operators provide access to the internet to any user if the technical possibility is available. The obligations the Rules impose on operators do not include control of content or applications accessed by users. However, the provision of internet access in clubs or other public places obligates the operator to keep records of users, and information on websites, applications and services used by users. The prices for internet usage are under control of the government and should be established in accordance with the Law on Natural Monopolies and Regulated Markets of 9 July 1998.

Generally, unsolicited phone calls, emails, faxes or texts are used for the purpose of advertising services or selling goods. Advertising is regulated by the Law of the Republic of Kazakhstan on Advertising dated 19 December 2003. However, there are no restrictions on such type of advertising. Therefore, in practice, advertising companies execute agreements with operators to provide unsolicited distribution, and bear no responsibility for such type of advertising.

Due to the adoption of the Law of the Republic of Kazakhstan on Personal Data and its Protection dated 21 May 2013, the transfer of personal data of users shall only be implemented with the consent of the users. Therefore, in cases of unsolicited distribution, a user has the possibility to claim an illegal transfer of personal information (such as telephone numbers or emails) by operators to advertising companies if the consent of the user has not been received.

iv Security

One of the most important goals of national ICT legislation from 2010 to 2020 is the development of mechanisms for the implementation of a unified state policy in the sphere of information security. The regulation of national interests on the World Wide Web depends on different factors that are mostly technical. The global communications network gives the possibility to be both fully mobile and maximally anonymous. All these factors create an environment conducive to unfavourable actions, such as the violation of legislation. In this regard, the unavailability of certain technical requirements keeps internet security at a low level. The security of personal data is regulated by the Law on Protection of Personal Data dated 21 May 2013.

Further, the Copyright Regulations provide for the protection of intellectual property. However, the absence of technical means to ensure this protection means that protection of intellectual property in the internet sphere is not at a sufficient level.

It is expected that in the future, a combination of legislative and practical measures will be directed towards the creation of a national system to combat cybercrime.

As part of the most recent amendments to telecommunication legislation a new method of security on the World Wide Web has been adopted. All telecommunication operators shall provide services with usage of a security certificate created by a certification centre approved by the local authority. The security certificate is a set of electronic digital symbols used for transfer of traffic which contains protocols with support of encryption. The implementation of security certificates aims to control and protect transfer of data via internet traffic in Kazakhstan.

IV SPECTRUM POLICY

i Development

The active liberalisation of the telecommunications industry in Kazakhstan began in 2006. The main aim was to allow mobile network operators to interconnect their networks with each other, including the opportunity to connect their networks to the global networks of the national operator.

The growth in broadband services and next-generation mobile services has substantially affected the development of spectrum policy. It has resulted in the building of radio-relay lines, the reconstruction of satellite stations and the establishment of new global networks.

In addition to spectrum, the government regulates the operation of electronic equipment and high-frequency devices used for civil purposes, including amateur radio services, regarding their compliance with established standards and technical regulations for the control and avoidance of any possible threat to citizens and environmental security.

ii Flexible spectrum use

The terrestrial use of satellite spectrum gained popularity in the early 2000s. Starting with public places, hotels, airports and restaurants, Wi-Fi technology has been shown to be an efficient network for companies and home users. In accordance with the local regulations, usage of RF spectrum is regulated by the state authorities and based on permits issued by the Committee of Communication, Information Technologies and Information, and the sharing of RF spectrum is possible only with licensed devices. For this purpose, the government is working on the extension of the latitude of RF spectrum for terrestrial use of spectrum.

Mobile use of spectrum is actively developing due to the building of LTE/GSM/UMTS-standard networks under the State Programme of Forced Industrial–Innovative Development for 2015–2019. This Programme, which was announced in August 2014, establishes the development of the networks in future years.

iii Broadband and next-generation mobile spectrum use

Seventy per cent of all investments made available through the State Programme of Forced Industrial–Innovative Development for 2015–2019 is allocated to the construction and development of telecommunication development. The growing demand for mobile services forces the relevant authorities to provide fast and positive development of broadband as well as development of spectrum. Since the governmental programmes in the area of telecommunication and information technology are one of the main priorities in Kazakhstan the area has developed significantly in recent times.

The only company that has obtained a licence to operate a 4G mobile network is the national operator, Kazakhtelecom JSC. This company owns the rights to build the LTE network, which was launched in Almaty and Astana in 2012. Other major cities with populations exceeding 50,000, and that therefore have large effective demand for data services and the most developed transport network, are considering connecting by the end of 2021. Due to high demand for mobile services one telecommunication operator, Kcell, has planned to implement 4G services in 2016. There are also global plans to implement next-generation services such as 5G mobile technology in 2017.

For the purposes of covering rural areas, the national operator is actively developing a satellite and CDMA network, and building the infrastructure for the installation of CDMA/evolution-data optimised 88 base stations. The development of the satellite network began with the launch of KazSat-2 in 2011. The Kazakh satellite is designed to cover the data resource needs of domestic companies, and holds the potential to reduce the costs for operators leasing satellite capacity on foreign boards. This creates an opportunity to reduce the costs of communication services and, consequently, their price for consumers. The KazSat-3 satellite was put into regular operation on 29 December 2014. KazSat-3 is designed to relay television signals and network data transmissions throughout the territory of Kazakhstan and its neighbouring countries.

According to the latest official information Kazakhstan is planning to create a KazSat-4 satellite which shall be aimed mainly at internet commercialisation. The satellite should provide the possibility for high-speed internet.

iv Spectrum auctions and fees

The state may auction spectrum due to an insufficient amount of spectrum or limited resources of the network in certain regions.¹¹

Participants in an auction shall pay a one-off fee to participate, separate from the fees for obtaining a permit to use the spectrum. The amount and frequency of payment for use of the RF spectrum is set by the state.

The decision to hold a spectrum auction shall be taken by the Ministry, with the recommendation of the Inter-departmental Commission for Radio Frequencies.

An auction shall be held within six months of the date of such decision.

11 Article 18 of the Communication Law.

V MEDIA

The exclusive rights of television and radio broadcasting belong to the national television and radio operator, Kaztelradio. The national operator carries out the maintenance and operation of the broadcasting network, and provides equal broadcasting rights to commercial television and radio service operators.

TV and radio broadcasting activities are subject to licensing.

The development of the television and radio market is strongly influenced by the following technological factors, which are likely to be the most significant in the development of the telecommunication industry in future years:

- a* the launch of the Kazakh satellite KazSat-2 in 2011 and KazSat-3 in 2014;
- b* the transition to NGA networks based on fibre-optic lines. Traditional cable network operators and broadband access providers have significant capacity limitations because of their networks, which are facing obsolescence. This has reduced the efficiency of new services. However, the implementation of fibre-optic lines virtually eliminates the capacity problems and is becoming a mainstream data technology; and
- c* the development of IP technologies. Transmission via IP can significantly improve the efficiency of the network resources and consequently reduce the cost of services, which increases its attractiveness to customers. IP-related solutions are becoming the foundation of multi-service provision of media. IPTV is provided in all regional centres of Kazakhstan. The network brings the ability to provide interactive television services in 3D and HD format.

i Obligations and restrictions on the provision of service

Kazakh legislation imposes the following service obligations and restrictions:

- a* the weekly proportion of Kazakh-produced video and audio entertainment, as well as music by local musicians, must currently not be less than 40 per cent, this threshold will be raised to not less than 50 per cent in 2018;¹²
- b* at least one news programme must be provided with sign language interpretation or subtitles. There is an exception for foreign television channels registered with the relevant state authority;
- c* for the protection of children and teenagers, it is prohibited to distribute TV and radio programmes, films or other content that is not suitable for people under 18 between 6am and 10pm local time;
- d* it is prohibited to distribute TV and radio programmes:
 - that are propagandist or that agitate for the forcible change of the constitutional system or the violation of Kazakh territorial integrity;
 - that undermine state security;
 - that advocate war, social, racial, national, religious, class and tribal divisions;
 - that promote the cult of cruelty and violence; or
 - that contain pornographic content; and
 - the advertisement of alcoholic beverages has been prohibited since 1 January 2004.¹³

12 Article 28 of the TV and Radio Broadcasting Law.

13 Article 14 of the Law on Mass Media.

Particular attention is paid to the distribution of information that violates the interests of the individual, society and the state, as well as the violation of election law and the promotion of extremist and terrorist activities, and of participation in illegal mass activities.

In the case of violations of the above-mentioned restrictions, the Prosecutor's Office, through the Ministry, may issue an order and suspend the provision of the operator's services.

The network operators must fulfil an order within three hours of receipt by suspending the networks or online resources where the restricted information has been published. Together with the enforcement authorities, they shall identify a violator using the network and require him or her to remove the restricted information. The suspension of the networks shall be cancelled when the violator notifies the Ministry of the removal of the restricted information.

In 2014, the Council of Operators initiated the signing of the Internet Security Declaration, which gives service providers and hosting service providers the right to take action against illegal content.

ii Internet-delivered video content

The percentage of broadcast video distribution, including video entertainment delivered by cable, satellite, wireless, fibre optics, satellite and cable, compared with that of internet video distribution is still very high. Internet video content is transmitted over the networks on the basis of a commercial contract with an internet service provider.

Internet service providers are not responsible for video content transmitted over their networks, but if the state identifies violations, the service provider must suspend or close the translation of violating conduct. Television companies providing video entertainment for internet transmission are fully responsible for their video content.

The increase in network capacity, together with unlimited data packages, has stimulated the use of online video content, which is a particular competitive threat to commercial TV services.

VI THE YEAR IN REVIEW

The media and telecommunications area in Kazakhstan has emerged as a more mature and quality-focused sector than it was a few years ago. This is mostly reflected in the introduction of advanced ICT, the creation of new broadcasting systems (e.g., the transition to digital broadcasting), the increase in the number of communications operators (e.g., cellular communication) and the primary role of internet resources in society.

One of the main steps in ICT activity was the introduction of an e-government system, which is the main vehicle for interaction between the government and the population. In this regard, the use of ICT is intended for the provision of online public services to citizens and businesses.

The key drivers for the development of ICT in Kazakhstan have been national policies, including the following programmes:

- a* the Kazakhstan 2050 Strategy 'A path for the young generation';
- b* the State Programme of Forced Industrial–Innovative Development for 2010–2014;
- c* the State Programme of Forced Industrial–Innovative Development for 2015–2019;
- d* the National Programme for the Development of Digital TV–Radio–Broadcasting in Kazakhstan for 2008–2015 approved by Government Resolution No. 1355 dated 29 December 2007; and

- e* the national ‘Informational Kazakhstan 2020’ programme approved by Decree of the President of the Republic of Kazakhstan No. 464 dated 8 January 2013.

The State Programme of Forced Industrial–Innovative Development for 2010–2014 is intended to force the diversification and competitive growth of national economics until 2020. The primary goals of the Programme are the introduction of new technologies and investment projects. This principle of technological development also touches the ICT area in Kazakhstan. For development of ICT sectors in future years, the State Programme of Forced Industrial–Innovative Development for 2015–2019 has been announced. The Programme has retained the goals of the development of new technologies, building networks and state investment in this sphere.

The National Programme for the Development of Digital TV-Radio-Broadcasting in Kazakhstan for 2008–2015 sets the priority for the country in this area: the transition to a digital broadcasting system in all parts of the country by the end of 2015.

The key principles of state policy in the ICT area are defined by the ‘Informational Kazakhstan 2020’ programme. This sets the key goals of state policy, such as the development of local informational spaces, the creation of a digital environment for the social-economic and cultural development of society, the availability of information and the communications infrastructure. Local informational space is considered to be the activities and public relations related to the creation, establishment, transformation, processing, transmission, use and storage of information. Such activity may include internet, telephone, mass media, and TV and radio broadcasting. In view of achieving these goals, the programme provides the following key indicators that Kazakhstan should achieve by 2020:

- a* for Kazakhstan to be among the top 35 countries in the World Bank’s ‘Doing Business’ rating;
- b* for Kazakhstan to be among the top 25 countries in the UN e-government development index;
- c* household information and communication infrastructure to be available to 100 per cent of the population;
- d* the number of internet network users to be 75 per cent of the population;
- e* 95 per cent of television broadcasting in DTTV format;
- f* the ICT sector should account for 4 per cent of Kazakhstan’s GDP;
- g* all health-care organisations should be connected to the single digital health-care network;
- h* all educational and scientific institutions should be connected to the single national educational and scientific network;
- i* the level of computer literacy to be 80 per cent.
- j* for all mass media to be available as e-media;
- k* for 40 per cent of the total turnover of goods and services to be made up of online shopping; and
- l* for 80 per cent of public services to be provided online.

Based on information from internet resources, the main changes in the ICT area in Kazakhstan will take place in cellular communication, internet network communication and TV broadcasting. The number of cellular communication users has grown to more than 14 million people, and the number of cellular communication providers has also

increased. The TV broadcasting channels have been expanded due to the introduction of new highly specialised and national programmes. Such growth rates show a high demand for informational services in Kazakhstan.

VII CONCLUSIONS AND OUTLOOK

The Kazakhstan 2020 strategic development plan notes that the rapid development and adaptation of ICT has become an important factor in the modernisation of society, affecting not only economic indicators, but also the way of life that characterises the importance of ICT development for the economy and the lives of citizens of modern Kazakhstan. With regard to the rapid development of the ICT sphere, it is necessary to ensure the improvement of its legal regulation.

At the same time, it appears that certain specific areas (such as internet access) may suffer from lack of proper regulation. Currently, measures on improving the permitting regime and the regulatory activities of government bodies are being worked on by the government; as such, measures aimed at the simplification of licensing procedures are expected to be adopted.

Thus, an analysis of the current situation bears witness to the readiness of Kazakhstan to realise large-scale and comprehensive state strategies regarding information and ICT development, and the formation of an effective system of state management in that area.

Appendix 1

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Yerzhan Yessimkhanov graduated with first class honours from Kazakh Humanitarian Law University in 2004. From 2002 to 2003, he studied corporate law at the Center of European Law and Economic Studies.

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