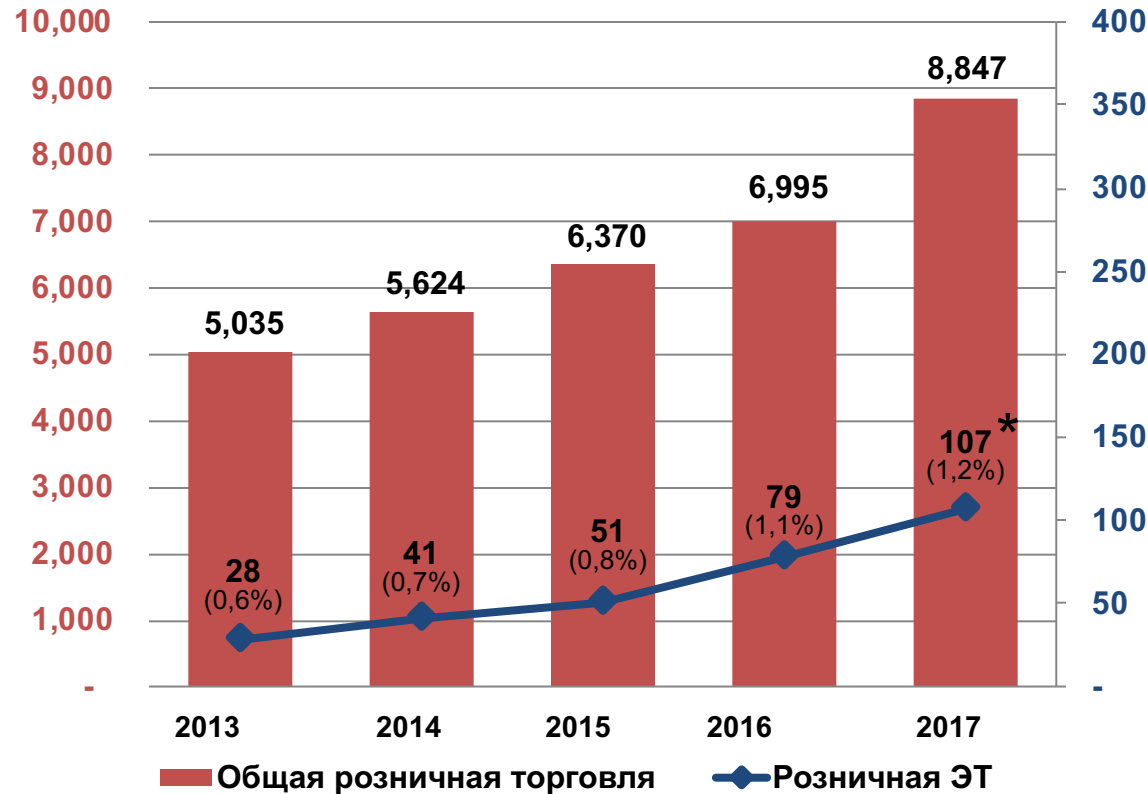


E-commerce: Breakthrough in the Digital Economy of Kazakhstan

Astana, 2018

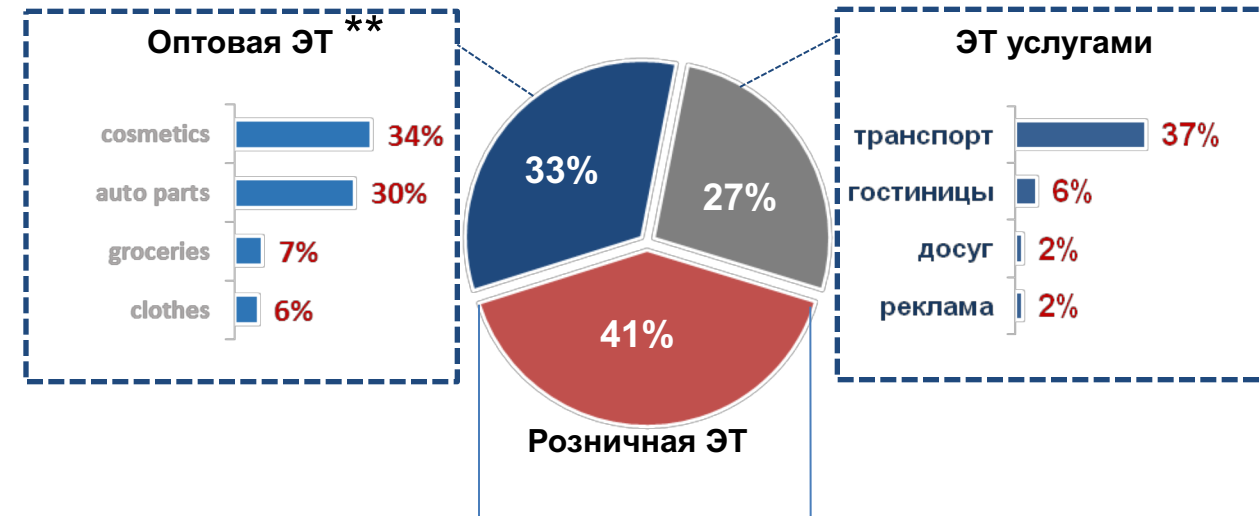
DEVELOPMENT OF E-COMMERCE



* According to data of MNE's CS

** Transactions are done in B2B format, the volume of consignments is not a criteria for defining them as a wholesale

MARKET STRUCTURE OF E-COMMERCE



RETAIL ELECTRONIC COMMERCE STRUCTURE

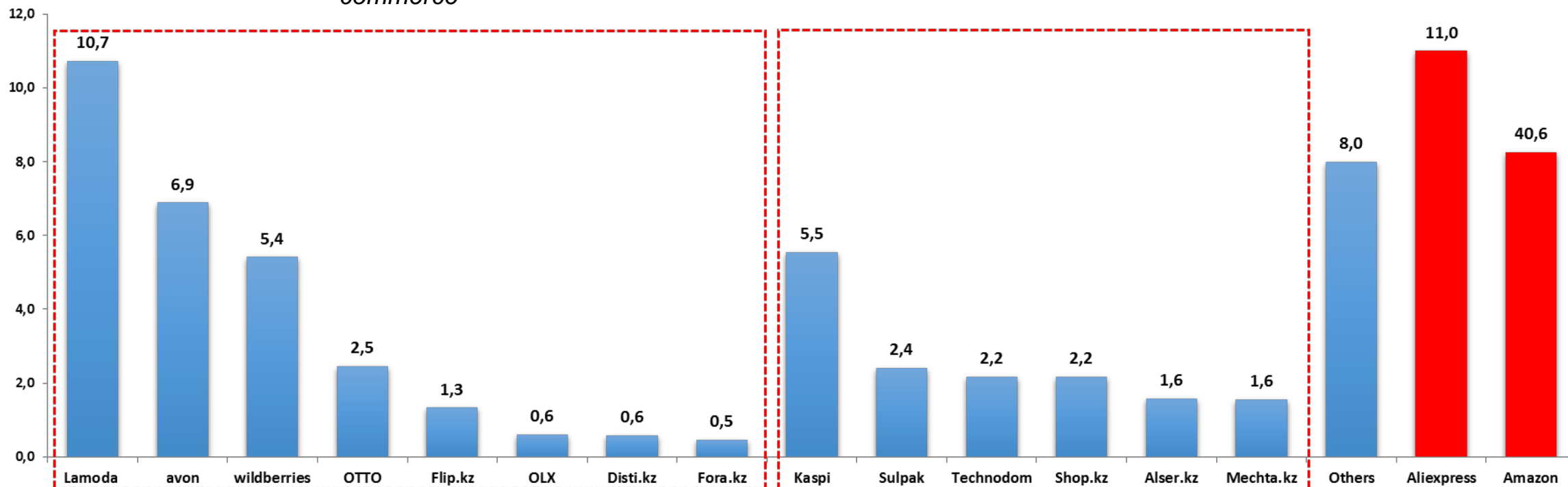


In the last five years there is a stable development of electronic commerce

MARKET VOLUME OF ELECTRONIC COMMERCE IN 6 MONTHS OF 2018, billion tenge

Conducting sales exceptionally via online commerce

Online trade- additional channel for sales



In the past 6 months the market volume of electronic commerce has increased up to 101 billion tenge, which constitutes 2,3 % of the overall volume of retail trade of the same time period.

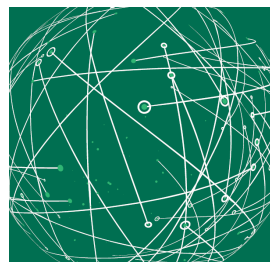
**according to data of JSC "Kazpost"*



DIGITALIZATION OF POPULATION

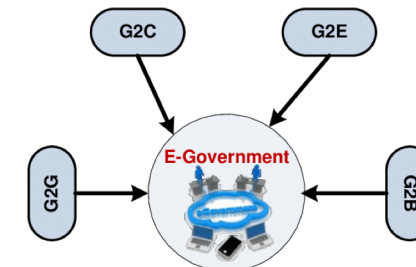


INTERNET OF THINGS



**FURTHER
DIRECTIONS FOR
DIGITALIZATION**

DIGITAL STATE



DIGITALIZATION OF MEDICAL FIELD



DIGITALIZATION



Raising quality of living by means of introducing digitalization in people's everyday lives

Digitalization of population means that each person is supposed to use the **benefits of digital era**: electronic commerce, non-cash payments, electronic certificates from e-government, etc.

Industries, where digitalization will drastically lower existing fields of inefficiency:

- transport-logistics industry;
- housing and utilities;
- public infrastructure;
- healthcare;
- education and other.

In Singapore, the conception of "**Smart Nation**" has been developed .

Allowed budget is around 1,8-2 billion US dollars every year.

In 2017, 29% of financial resources was spent on the development of infrastructure, 22%- on data analysis and cyber security for each.

On pilot projects of Smart Nation (e.g., spreading of national net of sensors, located on streetlights), 9% of budget is allowed.

INTERNET OF THINGS



New vector of economic development of a country, in which digital technologies play a major role as a main driver for quality development of each industry of economy.

Close integration of real and virtual worlds, in which communication is made between people and devices. Internet of things may drastically increase efficiency in almost all economy sectors.

In China, the system tools of state support for the development of Internet of Things technologies are being implemented

- tax regulation;
- state financing;
- development of single standards;
- implementation of pilot projects.

The state has established a fund for support and development of applications and services by means of granting subsidies for loans: the volume of investments in 2015 was 1,6 billion US dollars.

The company "Wuxi National Hi-tech District (WND)" has been established: this is a specific zone for the development of technologies, where companies are given special support which allows to increase the efficiency of their enterprises. The company has become the center of attention not only for Chinese enterprises, but as well as got big international companies.

DIGITAL NATION



Further IT-transformation of state authorities

Kazakhstan actively develops in this direction. The **"Electronic Government"** in a form of a basic infrastructure and information system of state bodies has been created. Most state services' gradual transition to digital format is being implemented.

Next step is self-digitalization of the nation

Self-digitalization is implemented in two main directions:

1. Digitalization of public administration
 - Refreshing interaction processes G2G, G2B, G2C;
 - The "Digital first" principle;
 - Turnover of electronic documents

2) Digitalization of state companies

Setting up a benchmark for efficiency of state companies

DIGITALIZATION OF MEDICAL INDUSTRY



Digitalization of medicine will satisfy the increasing demands of citizens for quality medical service.

Thanks to digitalization in medicine new processes are being integrated:

- Electronic passport of health;
- Transition to paperless hospitals;
- Mobile digital applications;
- Remote method of diagnostics;
- Telemedicine

In Denmark, the private portal MedCom was introduced. MedCom is a single net, connecting most of major medical institutions (hospitals, laboratories, pharmacies). They have the single database and store patients' medical cards in an electronic format which allows the treatment of a patient in any location of the country while having all necessary information on their health.

Simple diagnostics is done electronically, and via the Internet most conversations between a doctor and a patient are made.

The annual cost for keeping the platform running is 5-10 million euros. Savings on transactions constitute 100-120 million euros due to the reduction of direct costs of medical institutions, release of extra 2 hours of work time of doctors a day, reduction of costs on healthcare and improvement of treatment outcomes.

***Thank you
for your
attention!***