

PRESS RELEASE

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Astana

The Concept of Digital Reform and Safety Strategy

Within the framework of the session titled "Digital Revolution", the speakers discussed the issues of technological capabilities and solutions based on the blockchain algorithm as well as the information security strategy in the context of modern technologies.

Speakers concurred that the world has changed dramatically over the past 20 years and all this is due to the impact of new technologies.

Despite the differences in the levels of digitalization and technological penetration in different countries, there is a high degree of influence of new technologies on many important processes, both at the level of the state and the economy, and at the level of everyday decisions.

At the same time, the issues of national and personal security, privacy, commercial and banking secrecy become more critical in the context of the relevance and effectiveness of new technologies.

Pedro Fuentes, the head of PKI platform of WiSeKey (Switzerland), noted that blockchain has a great future, but there are a number of concern-raising moments associated with certain approaches to identity and identification. "Blockchain is an agreed technology for conducting, and ensuring the integrity of, transactions, but at the moment I don't know if the service is good enough to ensure the correct identification", the speaker said. On the contrary, Artur Saudabayev, a researcher at the Nazarbayev University, Kazakhstan, expressed another view that "blockchain is crucial".

Blockchain, in its essence, provides transparency for all transactions through multiple nodes that people can see. This strengthens trust at different levels: between people, different nodes and drivers of blockchain and at the level of various institutions - for example, in the taxation system.

As Pedro Fuentes, the head of PKI platform of WiSeKey (Switzerland), believes, there are a few shortcomings of the blockchain system at the moment: "The first is the technical monitoring of the service providers. There is also an issue of auditing; independent agencies must be in place that could control the suppliers of such services to make sure they act according to the advanced standards – there is no such thing in the blockchain either", the speaker said.

He noted that today "virtually anyone can build their system, put it in place, and no one can control it, because there is no such access, there are no audit criteria, and monitoring systems". The expert also explained that "the methods of monitoring service providers have not been defined. In this regard, certain methods of state regulation should be applied. The question arises: what are the methods of monitoring that should be applied to make this all legally binding. Here the role of the state must be identified. That is, there is still a vulnerability to the human factor. There is no magic here. And it's not a question of technology, infrastructure; it's about how everything will be realized", he concluded.

Luc Aikman, founder of Nudge Digital (UK), said that today's buzzword "blockchain" is a very powerful and fantastic technology that can make a lot of things more effective, but in reality people just like the convenience and people pay for convenience. Remember when the electric engine first appeared, it was put on the table and people said: "Great! But why would you need

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it?" Five years later, electric engines were everywhere. I am sure that this will be the case for the blockchain", he said.

An example of the effective use of blockchain technologies was, in turn, cited by Tyler Smith, geophysicist and consulting director for ConsenSys (USA). "There are 10 thousand refugees who receive assistance from the UN through the blockchain; now it is changing the way people receive help. This is done effectively; you can track and identify a person's identity. This is a huge problem for refugees around the world, and this situation is already changing, because this technology already produces a complete change in the way we can work with such people. That is, we will see a gradual change in different spheres", he said.

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