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Contribution by Russian Federation

to the CSTD 2019-2020 priority theme on "Harnessing rapid technological change for inclusive and sustainable development"

UNCTAD Questionnaire on
«Harnessing rapid technological change for inclusive and sustainable development»

1. From the perspective of your country/region, what is the role of the government in creating the ecosystem for innovation on frontier technologies for inclusive and sustainable development? What are the most effective ways to support the improvement of skill levels and better match the supply and demand of skills? What is the role of the government in facilitating a fair relation between workers and employers in the digital economy? What are the current options and lessons learned from policies to protect people affected by rapid changes in labour markets (e.g. greater benefits for those whose jobs are destroyed, retraining, federal job guarantee)? What is the role of redistributive policies to ensure that no one is left behind in a world of rapid technological change?

Answer:
With regard to the role of the government in creating the ecosystem for innovation on frontier technologies for inclusive and sustainable development, it should be noted that, traditionally, the role was to create an innovative environment and to fund the basic science and new developments. Nowadays, in the light of high intersectional penetration and ever-increasing speed changes, the role of the government becomes even more significant.

Pro-active role of the government in the innovations may drastically speed up development of certain sectors. We are dealing here both with the direct funding of strategically important projects, as well as with business support services, for example, fostering innovative products. It also seems essential to develop such conditions when the government would be able to encourage cross-sectoral cooperation, establish platforms for big business dialog across sectors and, finally, identify obstacles to the development of innovations (legal issues, infrastructure) and try to resolve them.

On December 24, 2018 Presidium of the Presidential Council of the Russian Federation for Strategical Development and National Projects approved national program "Digital Economy of the Russian Federation" (hereinafter – the Program, the updated version was approved on June 4, 2019.)

Main objective of the Program is to develop economical potential of the State based on the application of information and telecommunication technologies.

Activities under the Program are focused on the following transformation of the key trends in the economy and social sector:

shaping a new regulatory environment for people-business-public relationships emerging due to the digital economy development;

building a staff training system for digital economy;

establishing a cutting-edge high-speed infrastructure for data storage, processing and transfer, and assurance of stability and safety of its operation;

increasing efficiency of public administration and public services to citizens by the implementation of digital technologies and platform solutions;

supporting development of advanced end-to-end digital technologies and projects to implement them.

The Program includes implementation of six federal projects, including "Digital Technologies" project.

The "Digital Technologies" project is mostly focused on the development of the scientific and technological head starts of the Russian Federation in the end-to-end digital technologies, encouragement of the domestic market, support for the Russian hi-tech companies and improved competiveness of domestic digital products, including at the international level.

2. Can you provide examples of STI policies/projects/initiatives intended to promote and give directionality to technological change to make it work for inclusive and sustainable development? Are there policies/projects/initiatives that mitigate the potential negative effects of rapid technological change on inequality? Are there any of these policies/projects/initiatives directed to women, youth, people with special needs or other groups facing specific challenges? How have the policies targeted inequalities? What are the challenges confronted in implementing these policies/projects/initiatives?

<u>Answer:</u>

With regard to the policy intended to promote the technological change, it should be noted that most of the tasks of the sustainable development at the national level have been implemented through State Programs of Social and Economic Development of the Russian Federation, including sub-programs and sectoral target programs. The relevance of the SDGs implementation in Russia has been reflected in the Presidential Address to the Federal Assembly 2018 and also in May Decrees 2018. Tasks set forth in the documents related to healthcare; education; demography; housing and urban environment; international cooperation and export; labour productivity; small business and support for private business initiatives; safe and quality roads; ecology; and digital economy correlate with the UN Sustainable Development Goals.

May Decrees 2018 are a program document establishing a strategic goal for a breakthrough in the scientific and technological and social and economic development of the State. It is planned that the goals set forth in the May Decrees 2018 should be achieved by 2024 through the implementation of national projects on 12 directions of strategic development in demography; healthcare (SDG 3), education (SDG 4); housing and urban environment (SDG 11); ecology (SDG 13, 14 and 15); safe and quality roads (SDG 9); increased labour productivity and employment support (SDGs 8 and 9); advancement of science (SDGs 4, 6, 7, 8, 9, 11, 12, 13, 14, and 15); development of digital economy (SDGs 8 and 9); culture (SDGs 4, 8 and 9); support for SME development and private business initiatives (SDGs 2, 3, 8, and 9); and development of international cooperation and export. Some projects have been either transformed from already existing (since 2016) priority projects in healthcare,

education, or housebuilding; or newly developed, for example, those in digital economy.

It is important to note that program documents and regulations adopted in the Russian Federation are inclusive and imply inclusion of all the groups of society. Above-mentioned programs "Information Society" and "Digital Economy of the Russian Federation" serve as the examples.

With regard to specific projects'examples in the field of Science, Technology and Innovation (STI) aimed at inclusive and sustainable development, it is worth noting that the infrastructure is a driver of economic growth and prosperity for all. Thus, according to the federal project "Information Infrastructure" (within the "Digital Economy" program) it is foreseen to connect medical institutions in state and municipal healthcare systems, paramedic and obstetrical stations, secondary schools, fire stations, fire posts and police stations, as well as government authorities and local self-government bodies to the Internet

Socially important institutions are foreseen to be connected to high-speed Internet in 2019-2020 on a competitive basis by macro-regions. Three-year contract agreements for the deployment of communications infrastructure in 2019-2020 will be concluded with tender winners.

Delivery of typical digital services for socially important facilities will be implemented following the service model which includes the following stages:

- communications operator connects socially important facility to the Internet (effects construction and development of communication channels and connection of socially important facilities to them), establishes the ICT infrastructure within facility;

- based on the infrastructure established under government contracts, an operator provides delivery of broadband Internet access services for socially important facilities.

Ensuring provision of broadband access services for socially important facilities is foreseen to be realized using the following technologies:

- through establishing a cellular network for Internet connection at up to 10 Mbit/s;

- through fiber-optic communication lines (FOCL) with the access speed at least 10 Mbit/s;

- through satellite communication lines with the access speed at least 1 Mbit/s (for socially important facilities located more than 80 km away from the nearest FOCL connection point).

For educational organizations Internet connection speed at least 50 Mbit/s in rural areas and 100 Mbit/s – in cities are expected to be provided, at the same time they are to be predominantly connected via fiber-optic lines.

3. Can you provide examples of innovative initiatives in partnership with (or by) the private sector in/from your country that harnesses frontier technologies for inclusive and sustainable development? What are the innovations in terms of the use of technology? What are the innovations in terms of business models?

The federal project establishes a system of State support measures for the development of end-to-end digital technologies and implementation of projects aimed at developing and introducing products, services and solutions created through end-to-end digital technologies.

The support will be given to specific organizations and projects (private sector) according to 7 key areas:

The support of leading research centres (hereinafter – LRC) is a support of Russian institutions carrying out research and development (R&D) with subsequent transfer of R&D products to partner companies for the commercialization within priority sectors;

The support of the Russian flagship companies developing and commercializing domestically-produced solutions on the basis of end-to-end digital technologies;

The support of pilot introduction of domestically-produced solutions on the basis of end-to-end digital technologies into priority sectors having the potential and the possibility of sectoral distribution;

The support of regional distribution for domestically-produced solutions on the basis of end-to-end digital technologies with high social and economic importance for a constituent entity of the Russian Federation;

The support of multipurpose projects in the sphere of digital technologies through preferential loans and in implementation of road maps for development directions of end-to-end digital technologies;

The support of small enterprises developing and commercializing digital solutions focused on the development of information infrastructure or projects on the development and commercialization of end-to-end digital technology.

The support of projects on the development and commercialization of digital platforms and software products for the industry.

The selection of projects will be made by specialized operators on a competitive basis taking into account priorities identified in road maps, subject to 50% extra-budgetary project funding.

Road maps represent strategical tool prioritizing technology development in the Russian Federation and will include goals and expected results of technology introduction and distribution, assessment of their impact on social progress, economic development and technological leadership of the country, as well as description of main obstacles and mechanisms to overcome them.

4. What are the actions that the international community, including the CSTD, can take to contribute to maximize the benefits associated to rapid technological change and mitigate the risk of these technologies widening or creating new inequalities within and across countries? Can you give any success stories in this regard from your country or region?

Answer:

In terms of the international discussion, in order to maximize the benefits associated to rapid technological change and mitigate the risk of these technologies widening or creating the new inequalities within and across countries, it is necessary to analyse the level of technological development in the countries with different pace of development and to develop the multilevel and multi-vector policy (with its subsequent evaluation and adjustment), taking into account the rates and characteristic of development of different countries. The thematic national development programs would require constant monitoring and adjustment at the national level, which is an integral part of "Digital Economy of the Russian Federation" implementation.

5. Could you suggest some contact persons of the nodal agency responsible for policies related to rapid technological change and its impact inequality as well as any experts (from academia, private sector, civil society or government) dealing with projects in this area? We might contact them directly for further inputs or invite some of them as speakers for the CSTD inter-sessional panel and annual session.

Answer:

UNCSTD can send its requests to the Ministry of Digital Development, Communications and Mass Media of the Russian Federation.

6. Do you have any documentation, references, or reports on the specific examples on the priority theme in your country or region?

Answer:

– Presidential Address to Federal Assembly March 1, 2018.
Link: http://www.kremlin.ru/events/president/news/copy/56957

– Presidential Executive Order No. 204 dated May 7, 2018 On National Goals and Strategic Objectives of the Russian Federation through to 2024.
Link: http://kremlin.ru/events/president/news/57425

–News article of 21 December 2018 "Ministry of Communication and Mass Media describes the details of the project on communication infrastructure/Internet development" D.Russia.ru.
Link: http://d-russia.ru/minkomsvyaz-rasskazala-o-detalyah-proekta-po-razvitiyu-infrastruktury-svyazi.html
– National program "Digital Economy of the Russian Federation"
Link: https://digital.gov.ru/ru/activity/directions/858/