

Digital Economy Steering Group
Report for the
CTI ANNUAL REPORT TO MINISTERS

For AMM’s information

(a) Key outcomes and achievements in 2024:

- Survey on E-Commerce Regulations in APEC, **Singapore**. This database of information, which is available to the public on the APEC Trade Repository, facilitates the transparency of economies’ domestic regulations and approaches on e-commerce.
- Ongoing work on the APEC Cross-Border Privacy Rules (CBPR) and Privacy Recognition for Processors (PRP) Systems which promote interoperability among different data privacy regimes to facilitate trade and build trust in e-commerce
 - Endorsed recognition of *TrustArc* and *BBB National Programs* as APEC-recognised Accountability Agents (AA) in the United States and of *Japan Institute for Promotion of Digital Economy and Community (JIPDEC)* as an AA in Japan
 - In 2024, the CBPR and PRP Systems grew steadily with an increase in certified companies particularly from the United States and Korea. Additionally, Chinese Taipei’s III certified its first company in 2024.
- Promoting regulatory cooperation through the Cross Border Privacy Enforcement Arrangement (CPEA) and the CBPR System.
- Submitting and updating Data Privacy Individual Action Plans (IAP) which improve the transparency of data protection frameworks of member economies. The Philippines updated their IAP in 2024.
- Implementation of APEC DESG projects:
 - *Measuring the Economic Relationship between Digitalisation and Digital Trade* - Australia
 - *Fostering Rural Development Empowered by Digital Technologies for Inclusive Growth* - China
 - *Workshop on Exploring Opportunities towards Public-Private Partnership on Artificial Intelligence in APEC Economies* - Indonesia
 - *Workshop on Strengthening capacities to use spectral signatures of remote sensing applied in environment control processes for the identification of environmental impacts in the mining sector* - Peru
 - *Research on potential applications of artificial intelligence to improve product recall procedures in the region* - Peru
 - *Sharing best policy practices to develop and promote MSMEs access to digital cultural and creative industries* - Peru
 - *Enabling MSMEs to Grow in the Global Economy by Operating Seamlessly Across the Omni-Channel Environment* – United States
 - *Information Sharing on Legal and Regulatory Interoperability for Privacy Protections in APEC* - United States

<ul style="list-style-type: none"> • Policy dialogues and discussion items on: <ul style="list-style-type: none"> ○ using digital technology to support the formalisation of the informal economy; ○ artificial intelligence (AI) governance; ○ coordinated transformation for digital and green development; ○ discussion on digital identity systems; ○ UNCITRAL Model Law on Electronic Transferable Records (MLETR); ○ electronic commerce issues, including the WTO moratorium on customs duties on electronic transmissions; ○ collaboration among APEC economies to enhance support and facilitate the sharing of information regarding online scams.
<p>(b) Work undertaken by fora in pursuit of the Putrajaya Vision 2040, including through the Aotearoa Plan of Action (APA)</p> <p><i>Kindly refer to the “Collective Actions” (in the APA) for the relevant fora Please also outline any individual actions that your fora has showcased during the year.</i></p> <ul style="list-style-type: none"> • DESG work programme on e-commerce and trade-related digital economy issues broadly contributes to the APA Collective Actions: <ul style="list-style-type: none"> ○ <u>Promote e-commerce / digital trade</u>, including by supporting the development and implementation of international and regional norms and standards for the digital economy, compatibility of standards, regulations and systems, and supporting discussion and sharing best practice on rules and regulations in e-commerce / digital trade. Examples of current and future ideas discussed in DESG included: enabling diverse and minority populations access to digital systems; supporting MSMEs to use digital platforms to enter international markets; and using digital identity systems to support cross border information flows to streamline trade processes. ○ <u>Cooperate on facilitating the flow of data and strengthening consumer and business trust in digital transactions</u>. Along with discussions in DESG and the Data Privacy Subgroup, one of the important workstreams in DESG on data flows is the APEC CBPR.
<p>(c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction</p> <ul style="list-style-type: none"> • The APEC Ministers Responsible for Trade (MRT) Joint Statement 2024 called for members to join the WTO E-commerce Joint Statement Initiative. Within DESG, Australia; Japan and Singapore reported on their economies’ roles as co-convenors and updated members on the next steps (i.e. domestic procedures), and its relevance to APEC. • DESG members discussed issues mentioned in the MRT Joint Statement 2024, including digital innovation, strengthening digital infrastructure, promoting interoperability, accelerating digital transformation, enhancing digital upskilling, and supporting marginalised groups to access digital systems.
<p>(d) Key Issues Under Discussion by the Fora (if any)</p> <ul style="list-style-type: none"> • Digital trade • AI governance

- Digital identity systems
- Supporting MSMEs transition to the formal economy through digital technology
- Digital Inclusion for marginalised groups
- Further discussion about the CBPR system within the DPS
- Submitting and updating Information Privacy IAPs, and consideration of possible ways to make IAPs more useful

(e) Private sector / Stakeholder engagement and cross-fora collaboration in 2024 (if any)

Participation at DESG and DPS meetings:

- ABAC
- PECC
- Centre for Information Policy Leadership (CIPL)
- International Association of Privacy Professionals
- The Digital Cooperation Organization (DCO)
- Walmart
- World Economic Forum (WEF)

During 2024, Peru hosted two Digital Weeks, inviting a wide range of private sector and stakeholder engagement from across the region.

(f) Items to submit to Senior Officials or Ministers (if applicable)

- Not applicable