

Digital Economy Steering Group

Report for the

CTI ANNUAL REPORT TO MINISTERS

For AMM's information

(a) Key outcomes and achievements in 2025

- Survey on E-Commerce Regulations in APEC – updated annually. 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 the recognition of VeraSafe as a CBPR & PRP System Accountability Agent and the continued recognition Info-communications Media Development Authority (IMDA), and Schellman as a CBPR & PRP System Accountability Agent.
 - In 2025, the CBPR and PRP Systems continued to grow steadily with an increase in certified companies and an Accountability Agent in the U.S., representing the growing demand for the privacy certifications.
- Promoting regulatory cooperation through the Cross Border Privacy Enforcement Arrangement (CPEA) and the CBPR System.
- Implementation of APEC DESG projects:
 - *Exchanges and Dialogue on Approaches to Artificial Intelligence - China*
 - *Information Sharing on Legal and Regulatory Interoperability for Privacy Protections in APEC – United States*
 - *Knowledge Sharing and Policy Recommendation to Minimize Violating the Privacy of Children and Adolescents on Digital Platforms - Korea*
 - *Policy Dialogue on AI in Trade Context for Enhanced Cooperation within APEC - Korea*
 - *Study on factors that limit and promote the digital inclusion of women living in poverty in urban, peri-urban and remote areas of the APEC region that are part of poverty alleviation support programs - Peru*
 - *Supporting MSMEs to utilise traceability technologies for more sustainable and inclusive trade - Australia*
 - *Technology Innovation Workshop for Environmental Monitoring, Using Technologies Such as Artificial Intelligence and Big Data in Productive Activities - Peru*
 - *Workshop on Privacy Enhancing Technologies - Opportunities and Challenges – Chinese Taipei*
- Policy dialogues and agency item discussions on:
 - Using Emerging Technologies for Trade
 - Responsible and Risk Manageable AI (use in the public sector)
 - Digital literacy and upskilling
 - Developing the Interoperability Digital Identity in APEC

○ Good Regulatory Practices in the Digital Age ○ Addressing Negative Online Content ○ Combating Online Fraud and Scams through Innovation and Cross-Border Cooperation ○ Environmental Impact of AI and Digital Infrastructure
(b) Work undertaken by fora in pursuit of the Putrajaya Vision 2040, including through the Aotearoa Plan of Action (APA) • DESG work programme on e-commerce and trade-related digital economy issues broadly contributes to the APA Collective Actions: ○ <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: supporting MSMEs, promoting trust in digital transactions, alignment with WTO initiatives, facilitating regulatory coherence, integrating emerging technology like AI into trade facilitation, and bridging digital divides. ○ <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 (DPS), one of the important workstreams in DESG on data flows is the APEC CBPR.
(c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction • DESG members discussed during meetings and implemented projects on many of the issues mentioned in the MRT Joint Statement 2025, including Digital Transformation; Bridging Digital Divides; Data Flow and Trust; AI in Trade Facilitation; Paperless Trade and Legal Frameworks including alignment to the UNCITRAL's MLETR; Digital Services and the Post- APEC Services Competitiveness Roadmap (ASCR) Framework. • DESG continues to draft the a new Work Program for the Implementation of the APEC Internet and Digital Economy Roadmap (AIDER) for 2026-2031.
(d) Key Issues Under Discussion by the Fora (if any); & • AI policy innovation and responsible use • Cross border data flows and privacy • Digital upskilling • Digital identity systems • Digital regulations • Online safety and content moderation • Cross-border cybersecurity and fraud prevention • The environment and digital infrastructure
(e) Private sector / Stakeholder engagement and cross-fora collaboration in 2025 (if any) DESG and Telecommunications and Information Working Group (TELWG) Joint Meeting: Cross-fora collaboration and AIDER implementation

DESG and TELWG Public Private Dialogue: Facilitating innovation to address socioeconomic challenges; and AI safety.

Participation at DESG, DPS and the DESG-TELWG meetings:

- ABAC;
- PECC;
- Access Partnership;
- Amazon Web Services;
- Future Privacy Forum;
- Internet Society (ISOC);
- PAA Digital Trade Alliance;
- USCIB;
- World Economic Forum (WEF);
- Internet Corporation for Assigned Names and Numbers (ICANN);
- Information Technology Industry Council (ITI);
- Nextrade Group;
- National Foreign Trade Council (NFTC);
- Thai Bankers' Association;
- Walmart.

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

- N/A