



**Asia-Pacific  
Economic Cooperation**

---

**2023/SOM1/CTI/DIA/005**

Session 1

## **Building Conducive Regulatory Environments to Enable Digital Trade**

Submitted by: WEF

**APEC Digital Trade Policy Dialogue: Building  
Conducive Regulatory Environments to  
Maximize the Flow and Impact of Data  
Palm Springs, United States  
21 February 2023**

# **APEC SOMI: Building Conducive Regulatory Environments to Enable Digital Trade**

February 2023

Yan Xiao

# Our Mission

Ensure technology drives  
**innovative**, **inclusive** and  
**efficient** trade growth in the  
digital era through  
**multistakeholder**  
engagement

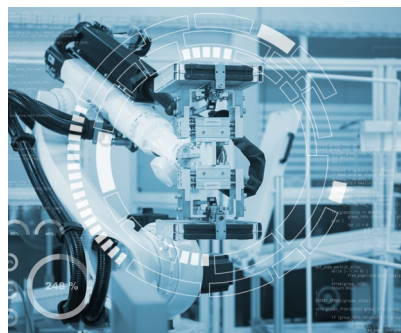


# 2023 Digital Trade Workstreams



## Digital Economy Agreement Leadership (DEAL) Group

- Develop a multistakeholder global community to provide balanced resources to parties interested in Digital Economy Agreements (DEAs)
- Mapping of DEAs



## TradeTech

- Bridge the gap between 4IR technology and trade policy
- Joint paper with WTO on [Policy Approaches to Harness Trade Digitalization](#)
- Three-year partnership with UAE



## FinTech for Trade

- Promote innovative, inclusive, efficient and responsible FinTech for trade and commerce through multistakeholder engagement
- Drive regulatory interoperability for cross-border payments and digitization of trade finance documents



## Digital FDI

- Create 'digital friendly' investment climates, in partnership with the Digital Cooperation Organization
- Launch first two Digital FDI Enabling Projects in Pakistan and Rwanda



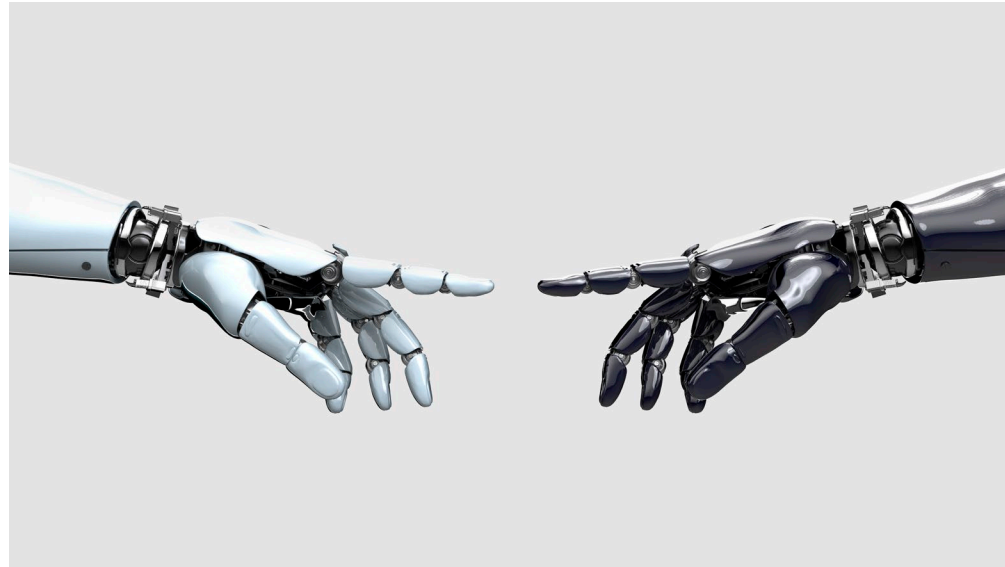
## Cross-border Data Flows (Data Free Flow with Trust (DFFT))

- Build a DFFT Taskforce to align global leaders in government and business to remove barriers to data flows
- In collaboration with Japan, leverage the Taskforce to provide [policy recommendations](#) (White Paper) to the G7 Summit.
- Share options to operationalize DFFT to the G20 and APEC.

# Changing trade landscape

## Tech transform trade

- Digital platforms (metaverse) and tools
- COVID: Surge of trade in digital services
- Data fuelled 4IR innovation
- Decentralization & automation movement



## Challenges

- Legal infrastructure lagging behind
- Globalization of cyber crimes
- Lack of regulatory interoperability

# Call to Actions



## 1. Commitment to modernize legal infrastructure

- Recognition of electronic signature & transactions
- Recognition of digital identity
- Privacy & cybersecurity
- New liability framework for decentralized/automated operations



## 3. Commitment to international cooperation

- Regulatory coordination
- Innovation coordination



## 2. Commitment to build an interoperable regulatory system

- Build a domestic system with XB interoperability in mind
  - International standards
  - Model law



## 4. Commitment to multi-stakeholder engagement

- Co-design pro-active & future-proof regulations and processes
- Role of public and private sectors



# Thank you, and we look forward to growing our collaboration.

Yan Xiao, Project Lead, International Trade and Investment,  
[yan.xiao@weforum.org](mailto:yan.xiao@weforum.org)

Ziyang Fan, Head, Digital Trade, International Trade and Investment,  
[Ziyang.fan@weforum.org](mailto:Ziyang.fan@weforum.org)

The World Economic Forum is the International Organization for Public-Private Cooperation.

Our mission is to improve the state of the world. Our purpose is to bring together stakeholders from all sectors of society. We provide a platform for the world's 1,000 leading companies to shape the future.



Contact us: [wef.ch/engage](https://wef.ch/engage)

