



**Asia-Pacific
Economic Cooperation**

2022/SOM3/CTI/023

Agenda Item: XIV

Digital Economy Steering Group Convenor's Report

Purpose: Information
Submitted by: DESG Convenor



**Third Committee on Trade and Investment
Meeting
Chiang Mai, Thailand
26-27 August 2022**

DESG CHAIR'S SUMMARY REPORT TO CTI3 2022
ON E-COMMERCE AND TRADE-RELATED DIGITAL ECONOMY ISSUES

In line with 2018 CSOM recommendations, the DESG preserves the functions of the former Electronic Commerce Steering Group (ECSG) and continues to report to the CTI on matters of the ECSG's work programme on e-commerce and trade-related digital economy issues.

NOTE: For matters related to the comprehensive implementation of the APEC Internet and Digital Economy Roadmap (AIDER), the DESG reports to the SOM.

DESG work on e-commerce and trade-related digital economy issues continues to contribute to CTI's objectives of support for the multilateral trading system, regional economic integration, and trade facilitation and connectivity, including through the following workstreams:

- 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 Cross-Border Privacy Rules (CBPR) and Privacy Recognition for Processors (PRP) Systems which promote interoperability between different data privacy regulations to facilitate trade and build trust in e-commerce
 - Endorsed recertification of TRUSTe and BBB National Programs as CBPR and PRP system Accountability Agents (AA) in the United States
 - Currently undertaking consideration of recertification application from Institute for Information Industry (III) as an AA in Chinese Taipei
 - Reviewing recertification applications from Schellman & Co., LLC, as CBPR and PRP system AA in the United States, and from the Info-Communications Media Development Authority (IMDA) as an AA in Singapore
- Submitting and updating Data Privacy Individual Action Plans (IAP) which improve the transparency of data protection frameworks of member economies
 - Updates to the Data Privacy IAP of **Mexico**
- Promoting regulatory cooperation through the Cross Border Privacy Enforcement Arrangement (CPEA) and the CBPR System
- Implementation of APEC projects:
 - Study "Review of APEC CBPR System" – **Japan and PSU**
 - Comparative study on best practices to detect and avoid unintended biases in Artificial Intelligence systems – **Chile**
 - APEC Digital Trade Transformation Work Program – **Thailand**

Private sector engagement:

- Participation of Amazon, Apple, Cisco, Meta, Microsoft

Cross-fora collaboration:

- Participation of BSA Software Alliance, International Chamber of Commerce (ICC), Internet Society (ISOC), GSMA, U.S. Council for International Business (USCIB), World Economic Forum (WEF), World Trustmark and Trade Alliance (WTA)

Main outcomes of the *DESG Data Privacy Subgroup (DPS) 45th meeting on 24 August 2022:*

Members noted:

- Intersessionally endorsed 44th DPS meeting summary report
- PMU presentation on developing and assessing quality Concept Notes
- Update on the status of the project “Comparative Study on Best Practices to Detect and Avoid Harmful Biases in Artificial Intelligence Systems” – Chile
- Report from CBPR Joint Oversight Panel (JOP) Chair (United States)
- Intersessionally endorsed CBPR JOP Reports:
 - Recommendation for Continued Recognition of TRUSTe as a CBPR & PRP Accountability Agent in the United States
 - Recommendation for Continued Recognition of BBB National Programs as a CBPR & PRP Accountability Agent in the United States
- Updates from existing CBPR economy participants: Japan; Korea; Singapore; Chinese Taipei; the United States
- Update from Malaysia informing that they intend to participate in the CPEA and the CBPRS and are preparing relevant paperwork
- Updated Data Privacy Individual Action Plan (IAP) by Mexico
- Updates on data privacy developments from member economies: Australia; Canada; Chile; Hong Kong, China; Japan; Korea; the Philippines; Singapore; Chinese Taipei; Thailand; the United States
- Guests’ reports on relevant data privacy developments by: International Chamber of Commerce (ICC), Microsoft on behalf of the U.S. Council for International Business (USCIB), World Trustmark and Trade Alliance (WTA)
- Report on developments in: Asia Pacific Privacy Authorities (APPA) – Hong Kong, China.

Members noted that during the intersessional period after DPS44, new DPS Chair and Vice Chair have been endorsed by DPS members:

- **Mr. Junichi ISHII (Japan)** assumes the position of the DPS Chair for DESG2 2022 – DESG1 2024;
- **Mr. Piero GUASTA (Chile)** remains the DPS Vice Chair for DESG2 2022 – DESG1 2024.

Members noted the intersessionally endorsed DESG 2022 Work Plan and discussed the proposal to establish a multi-year DPS Work Plan. As a follow-up, DPS Chair and Vice Chair will draft a proposed multi-year work plan and share it for members’ consideration intersessionally.

Quorum:

The DESG2 2022 meeting reached quorum with 20 economies in attendance (either in person or remotely).

Decision points needed from CTI:

- Seek CTI’s endorsement of the DESG Chair’s Report on E-Commerce and Trade-Related Digital Economy Issues.