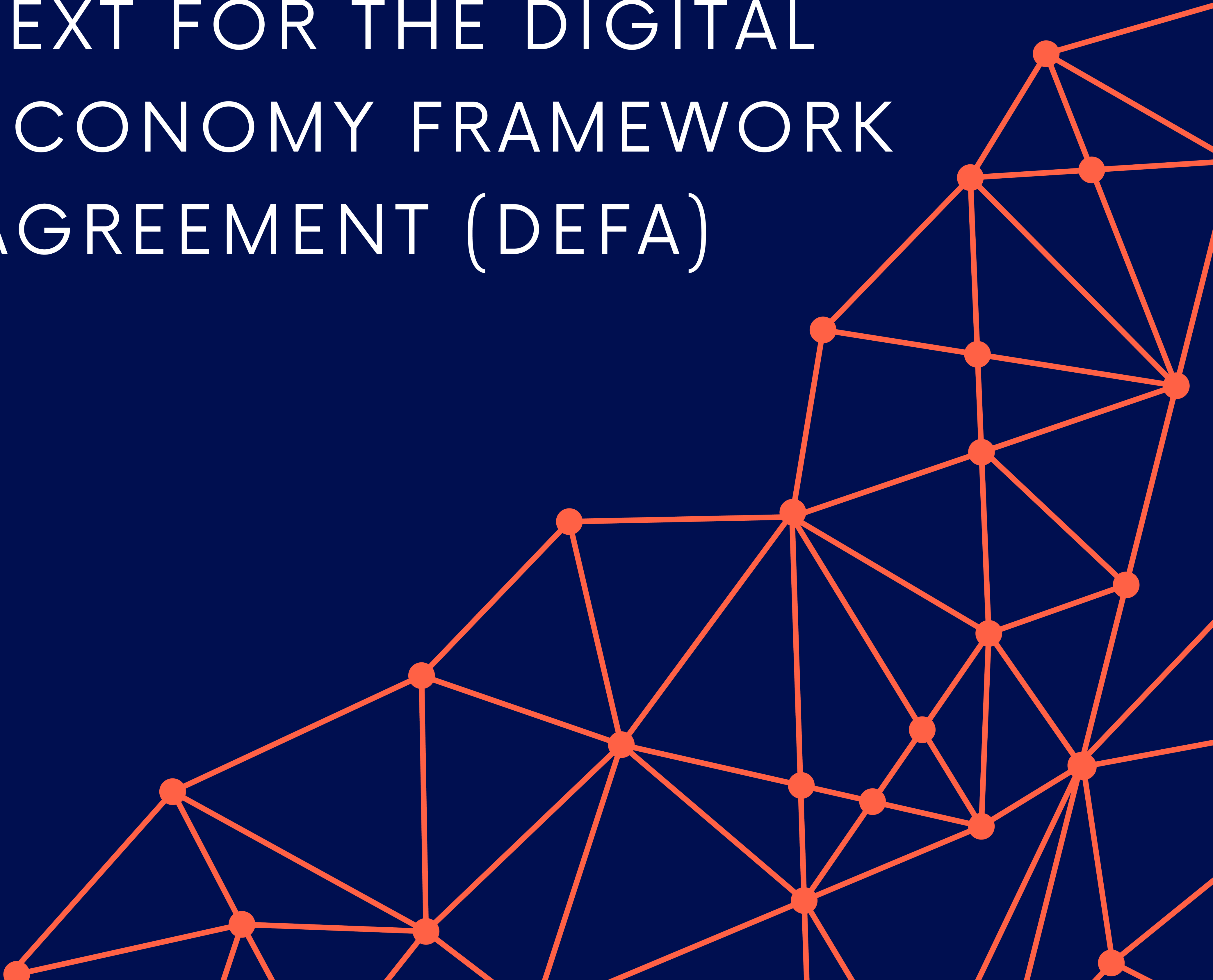




# DRIVING DIGITAL INTEGRATION:

EU-ABC'S PROPOSED  
TEXT FOR THE DIGITAL  
ECONOMY FRAMEWORK  
AGREEMENT (DEFA)





## European Industry Recommendations on the ASEAN Digital Economy Framework Agreement (DEFA)

### Introduction

ASEAN is currently negotiating a landmark Digital Economy Framework Agreement (DEFA) that, if done right, could unlock trillions of dollars for this fast-growing dynamic region by 2030. The DEFA represents a critical step in advancing ASEAN's digital transformation, fostering cross-border digital trade, and strengthening regulatory cooperation among ASEAN Member States. In this important endeavour, industry engagement is essential to ensure that the Agreement delivers legal clarity, business-friendly regulations, and global competitiveness so that ASEAN will remain the top choice for investment.

The EU-ASEAN Business Council, in consultation with its members who are European multinational companies with longstanding presence and significant investments in ASEAN, has developed a set of recommendations for the draft DEFA text. These recommendations are based on international best practices, leveraging existing agreements such as the Digital Economy Partnership Agreement (DEPA), the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the Regional Comprehensive Economic Partnership (RCEP), and the World Trade Organisation (WTO) Joint Statement Initiative (JSI) on e-commerce. Notably, ASEAN Member States are already parties to such agreements, like RCEP, making their integration into DEFA both logical and beneficial. By incorporating provisions from these agreements, it is hoped that the DEFA can achieve consistency with global digital trade frameworks, while addressing ASEAN-specific needs.

### Key Industry Recommendations

#### 1. Data Protection, Governance, and Cross-Border Data Flows

- a. Adopt a legal framework for personal data protection that accounts for varying levels of existing data protection regulations among ASEAN Member States (AMS) and ensure alignment with international data protection principles such as the OECD Fair Information Principles
- b. Require non-discriminatory enforcement of data protection measures, ensuring equal protection for domestic and foreign entities
- c. Mandate public access to information on personal data protection laws, rights, and compliance requirements to ensure transparency and clarity
- d. Promote interoperability and recognition of data protection frameworks to facilitate seamless digital trade, including mutual recognition of trustmarks
- e. Encourage cross-border data flows with minimum common standards while allowing for legitimate public policy exceptions based on clear and transparent criteria
- f. Ensure ASEAN-wide cooperation on data governance mechanisms such as cross-border transfer agreements, international standards like ISO, and mechanisms for dispute resolution and enforcement
- g. **New:** Prohibit unnecessary data localisation requirements, ensuring businesses are not restricted in their ability to use overseas computing services while maintaining strong data security measures

## **2. Cross-Border Electronic Commerce and Digital Trade**

- a. Maintain the WTO Moratorium on customs duties for electronic transmissions to support seamless digital trade and prevent unnecessary cost barriers for businesses
- b. Require transparency in e-commerce regulations, including consumer protection and electronic payments
- c. Strengthen online consumer protection measures by establishing clear guidelines on fraudulent, misleading, and deceptive commercial activities
- d. **New:** Ensure that customs procedures for e-commerce goods are aligned with the ASEAN Trade in Goods Agreement (ATIGA), including express consignments, to facilitate efficient cross-border digital trade. It is the view of the EU-ABC and other Joint Business Councils that all goods movements, whether e-commerce purchases goods, express consignment, or otherwise should only be covered in the ATIGA
- e. **New:** Enhance cooperation mechanisms among AMS to combat illicit trade in electronic commerce, including counterfeit and unlicensed goods

## **3. Digital Trade**

- a. Promote paperless trading by ensuring the recognition and legal equivalence of electronic trade administration documents
- b. Encourage the use of a single window to facilitate trade administration and data exchange
- c. Adopt legal frameworks for electronic transactions consistent with UNCITRAL instruments and create a roadmap to adopt the UNCITRAL Model Law on Electronic Transferable Records (2017)
- d. Facilitate electronic invoicing interoperability through international standards to enhance efficiency and cross-border digital trade
- e. Recognise electronic contracts, authentication, and signatures as legally valid to streamline digital transactions
- f. **New:** Encourage mutual recognition of digital identities to facilitate secure and seamless cross-border transactions

## **4. Electronic Payments**

- a. Develop interoperable and secure digital payment systems across ASEAN to facilitate real-time cross-border transactions. **New:** This includes adopting internationally accepted practices, such as HVPS+ for High-Value Payment Systems and IP+ for Instant Payment Systems, Unique End-to-end Transaction Reference (UETR) to enable traceability of cross-border transactions and aligning with ISO 20022 External Category Purpose Code.

## **5. Digital Identities**

- a. Ensuring interoperability or common standards between each AMS's implementation of digital IDs
- b. Endeavour to mutually recognise digital IDs

## **6. Online Safety and Cybersecurity**

- a. **New:** Ensure AMS do not use data localisation as a cybersecurity tool

## 7. Digital Talent Mobility

- a. **New:** Introduce a definition of digital talent and digital nomad
  - i. **Digital talent** refers to individuals with specialised knowledge, skills, and expertise in digital technologies, including but not limited to information technology, software development, data analytics, cybersecurity, artificial intelligence, machine learning, and digital services. Given the rapidly evolving nature of the digital economy, the definition of digital talent is flexible and may be determined by industry sectors to meet their specific, changing needs; and
  - ii. **Digital nomad** refers to an individual who engages in remote work, typically in the digital economy, using technology and the internet to perform professional tasks and services while traveling or residing in different locations, without being tied to a specific workplace or employer, and is able to maintain an income independent of the physical location of their employer or clients.
- b. **New:** Ensure that work permit restrictions do not apply to business persons engaged in the technical implementation of means supporting cross-border data flows
- c. **New:** Facilitate temporary entry of digital talent across ASEAN, including preferential measures for ASEAN nationals and residents to work across member states
- d. **New:** Develop framework for ASEAN Digital Nomad Visas to allow digital nomads to operate across ASEAN with minimal bureaucratic barriers

## 8. Cooperation on Emerging Technologies & Digital Innovation

- a. Promote cooperation with the financial technology (FinTech) industry, develop AI governance frameworks aligned with international ethical AI principles, and **[new]** co-operate on the sharing of Open Data (Non-Personal Information) to enable digital innovation

## 9. Competition Policy & Regulatory Oversight

- a. Strengthen competition law enforcement through cooperation and information-sharing among AMS
- b. Prevent anti-competitive practices in telecommunications and internet services
- c. Ensure independent regulators oversee digital markets impartially to promote fair competition

## 10. Government Procurement

- a. Support digitalisation of procurement processes to enhance efficiency and transparency, and ensure fair and open competition in digital government procurement

## 11. Open Government Data

- a. Promote public access to government data

**12. Development** (Suggested draft text for Chapter 12 is adapted from the WTO Joint Statement Initiative (JSI) on e-commerce, with amendments to reflect ASEAN's unique needs. Recognising the significance of bridging the digital divide, these provisions ensure that ASEAN Member States, particularly developing and least-developed economies, can fully integrate into the global digital economy.)

- a. Provide technical assistance and capacity-building to development AMS to bridge the digital divide
- b. Ensure AMS can notify the ASEAN Secretary-General regarding provisions they require additional time to implement. ASEAN Secretary-General to facilitate dissemination of relevant technical assistance, coordinate support, and ensure transparency in reporting on progress.

**13. General and Security Exceptions**

- a. Ensure DEFA aligns with WTO rules on general exceptions (Article XX of GATT 1994 and Article XIV of GATS).
- b. Maintain security exceptions in line with Article XXI of GATT 1994 and Article XIV bis of GATS to safeguard national interests.

**14. Dispute Mechanisms**

- a. Resolve disputes under DEFA through the ASEAN Protocol on Enhanced Dispute Settlement Mechanism

**15. Relations with Other Agreements**

- a. Maintain consistency between DEFA and existing ASEAN agreements on digital trade, e-commerce, and data governance
- b. Establish consultation mechanisms to resolve conflicts between DEFA and other regional trade agreements

**Conclusion**

The success of DEFA will depend on its ability to balance regulatory safeguards with business-friendly policies that encourage investment, trade, and innovation. By implementing these industry recommendations, which are drawn from global best practices, ASEAN can create a digital economy that is competitive, inclusive, and interoperable.

The EU-ASEAN Business Council remains committed to supporting the ASEAN Secretariat and Member States in refining DEFA and ensuring its effective implementation for the benefit of businesses and consumers across the region.

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### EU-ASEAN Business Council Suggested Text for DEFA

Note: Wherever possible text from pre-existing Agreements has been used. These are shown in **black**, with suggested amendments or additions shown in track changes and additional text shown in **red**.



Suggested Draft Article	Source	Business Justification
<h2>Chapter 1: Data Protection, Governance and Cross Border Data Flows</h2> <p>Sources: DEPA, CPTPP, RCEP</p>		
<p><i>Article 1.1: Definitions</i></p> <p>For the purposes of this Chapter:</p> <p><b>Personal data</b> means <u>any information relating to an identified or identifiable natural person, or which can identify a natural person.</u></p> <p><b>Computing facilities</b> means computer servers and storage devices for processing or storing information for commercial use</p> <p><b>Covered Person</b> means nationals, <b>legally registered</b> enterprises or investors from a Party that is a signatory to this Agreement</p> <p><b>Measure</b> means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form</p>	<p>CPTPP, DEPA</p> <p>WTO JSI</p>	<p>The ASEAN Model Contractual Clauses for Cross Border Data Flow defines “Personal Data” as “Any information relating to an identified or identifiable natural person.” DEFA should make sure it follows this definition of personal data as that is most consistent with member nations’ privacy laws.</p> <p>To consider whether we want to refer to “Personal Data” or “Personal Information”. HK and SG privacy laws both refer to “Personal Data.”</p> <p>CPTPP with addition of “legally registered” to ensure that there is clarity that foreign owned companies or organisations (that are not necessarily registered in an AMS but are at least registered in their home jurisdictions) are also covered by this definition.</p>

**Deleted: Information**

**Deleted:** any information, including data, about identified or identifiable natural persons

<p><i>Article 1.2: Personal <u>Data</u> Protection</i></p>	<p>DEPA</p>		<p><b>Deleted:</b> <i>Information</i></p>
<p>1. The Parties recognise the economic and social benefits of protecting the personal <u>data and privacy rights</u> of participants in the <u>member state economies</u> and the importance of such protection in enhancing confidence in the digital economy and development of trade.</p>		<p>1.2.1 Consider, “protecting the personal data and privacy rights of participants in the digital economy”. Protecting information implies just a data security obligation. Privacy is about protecting the rights of individuals in respect of their personal data.</p>	<p><b>Deleted:</b> information</p>
<p>2. To this end, each Party shall adopt or maintain a legal framework that provides for the protection of the personal <u>data and privacy rights</u> of the users of electronic commerce and digital trade, <u>taking into account the varying levels of existing data protection regulations among Parties and allowing for appropriate transition periods where necessary</u>. In the development of its legal framework for the protection of personal <u>data</u>, each Party shall take into account <u>the principles and guidelines adopted by international bodies and the legal frameworks adopted by other Parties so that</u> Consistency and harmony in definition of personal information (data from which an individual (natural person) can be identified.</p>		<p>1.2.2 Suggest, “protection of the personal data and privacy rights of the users of electronic commerce and digital trade.” This additional reference to privacy rights should be reflected throughout the Agreement.</p>	<p><b>Deleted:</b> information</p>
<p>3. The Parties recognise that the principles underpinning a robust legal framework for the protection of personal <u>information data</u> should <u>be consistent with the OECD Fair-Information Principles, including:</u></p>	<p>From experience with PDPA SGP and PDPA TH</p>	<p>1.2.2 Consider, “shall take into account the principles and guidelines adopted by international bodies and the legal frameworks adopted by other Parties.” International alignment of data protection laws really matters when trying to facilitate data flow and interoperability, e.g. when assessing adequacy of other jurisdictions’ privacy law protections.</p>	<p><b>Deleted:</b> information</p> <p><b>Deleted:</b> principles and guidelines of relevant international bodies...</p>
<p>(a) collection limitation; (b) data quality; (c) purpose specification; (d) use limitation; (e) security safeguards; (f) transparency;</p>			<p><b>Deleted:</b> include</p>

Suggested Draft Article	Source	Business Justification
<p>(g) Deletion (h) a business-friendly but safe cross border disclosure regime (i) individual participation, <b>access and ability to correct</b>; and (j) accountability.</p> <p>4. Each Party shall adopt non-discriminatory practices in protecting users of electronic commerce from <u>data protection law</u> violations occurring within its jurisdiction. <b>[Suggested addition: Each Party shall adopt and enforce data protection measures in a non-discriminatory manner, ensuring that users of electronic commerce, regardless of nationality or residency, are protected from data protection law violations occurring within its jurisdiction. These protections shall apply equally to domestic and foreign entities operating within the Party's territory.]</b></p> <p>5. <del>Each Party shall publish information on the personal data protections it provides to users of electronic commerce, including how:</del>  <del>(a) individuals can pursue remedies; and</del>  <del>(b) businesses can comply with any legal requirements.</del>  <b>[Suggested amendment: Each Party shall publish accessible and up-to-date information on the personal data protection measures applicable to users of electronic commerce. This shall include, at a minimum:</b>  <b>(a) An overview of relevant data protection laws and regulations;</b>  <b>(b) The rights and protections afforded to individuals under these laws;</b>  <b>(c) The mechanisms available for individuals to seek remedies in case of violations; and</b>  <b>(d) Guidance for businesses on compliance with legal requirements.</b></p>		<p>Non-discriminatory against whom? Discriminatory against the individual? Discriminatory against other Parties? Perhaps need to be a bit clearer on this – hence suggested additional text.</p> <p>Publish what kind of information – information on local laws, the data privacy protections they offer, how remedies can be pursued, and guidance on how businesses can comply with the legal requirements?</p> <p>Amendment provided to deal with this issue.</p>

**Deleted:** personal information protection

**Deleted:** information

Suggested Draft Article	Source	Business Justification
<p><del>including obligations related to data collection, processing, storage, and cross-border transfers.]</del></p> <p>6. Recognising that the Parties may take different legal approaches to protecting personal <del>data</del>, each Party shall pursue the development of mechanisms to promote compatibility and interoperability between their different regimes for protecting personal information. These mechanisms may include:</p> <ul style="list-style-type: none"> <li>(a) the recognition of regulatory outcomes, whether accorded autonomously or by mutual arrangement;</li> <li>(b) broader international frameworks;</li> <li>(c) where practicable, appropriate recognition of comparable protection afforded by their respective legal frameworks' national trustmark or certification frameworks; or</li> <li>(d) other avenues of transfer of personal information between the Parties.</li> </ul> <p>7. The Parties shall exchange information on how the mechanisms in paragraph 6 are applied in their respective jurisdictions and explore ways to extend these or other suitable arrangements to promote compatibility and interoperability between them.</p> <p>8. The Parties shall encourage adoption of data protection trustmarks by businesses that would help verify conformance to personal data protection standards and best practices.</p> <p>9. The Parties shall exchange information on and share experiences on the use of data protection trustmarks.</p>		

**Deleted:** information

Suggested Draft Article	Source	Business Justification
10. The Parties shall endeavour to mutually recognise the other Parties' data protection trustmarks as a valid mechanism to facilitate cross-border information transfers while protecting personal information.		

*Article 1.3: Cross-Border Transfer of Information by Electronic Means*

The Parties affirm their level of commitments relating to cross-border transfer of information by electronic means, in particular, but not exclusively:

1. The Parties recognise that each Party may have its own regulatory requirements concerning the transfer of information by electronic means **but shall include minimum common standards**

2. Each Party shall allow the cross-border transfer of information by electronic means, including personal information, when this activity is for the conduct of the business of a covered person.

3. Nothing in this Article shall prevent a Party from adopting or maintaining measures inconsistent with paragraph 2 to achieve a legitimate public policy objective, provided that the measure:

(a) is not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination against foreign entities or individuals based on nationality or residency or a disguised restriction on trade; and

(b) does not impose restrictions on transfers of information greater than are required to achieve the objective.

**Parties shall ensure that any restrictions imposed under paragraph 3 are based on clear and transparent criteria. Examples of legitimate public policy objectives include, but are not limited to, the protection of national security, public order, consumer privacy, and data security.**

DEPA

<https://www.oecd.org/en/topics/cross-border-data-flows.html>

Addition of minimum common standards designed to ensure some degree of harmonisation.

This clause is used in most trade agreements and allows countries to impose broad restrictions in the name of national security or other public policy objectives. We could recommend that there be clear

Suggested Draft Article	Source	Business Justification
<p>4. The Parties shall explore potential cross-border transfer agreements, conventions and other mechanisms to facilitate cross-border transfer.</p> <p>5. No party shall impose customs duties on the outbound transfer or inbound receipt of cross border data</p> <p>6. All parties shall adopt internationally recognised standards about cross border data flows as applicable – for example information-rich standards such as ISO</p>		<p>examples of when governments can invoke this exemption.</p> <p>Cross-Border data flows are essential for companies operating across multiple jurisdictions to ensure consistency of business practices, ability to produce regulatory reports etc.</p> <p>WTO Moratorium on no customs duties on cross border data flow</p>

<p><i>Article 1.4: Location of Computing Facilities</i></p> <p>The Parties affirm their level of commitments relating to location of computing facilities, in particular, but not exclusively:</p> <p>1. The Parties recognise that each Party may have its own regulatory requirements regarding the use of computing facilities, including requirements that seek to ensure the security and confidentiality of communications.</p> <p>2. No Party shall require a covered person to use or locate computing facilities in that Party's territory as a condition for conducting business in that territory.</p> <p>No Party shall impose restrictions on the use of overseas computing facilities, including cloud services and data centres, through measures such as:</p> <p>(a) Local storage requirements that mandate data be stored exclusively within a Party's territory; or</p> <p>(b) Restrictions on the overseas transfer or storage of data that hinder the use of foreign computing services.</p> <p>3. Nothing in this Article shall prevent a Party from adopting or maintaining measures inconsistent with paragraph 2 to achieve a legitimate public policy objective, provided that the measure:</p> <p>(a) is not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade; and</p>	<p>DEPA</p>	<p>This is in line with modern business practices.</p>
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Suggested Draft Article	Source	Business Justification
<p>(b) does not impose restrictions on the use or location of computing facilities greater than are required to achieve the objective.</p> <p>(c) Does not impose unreasonable levels of data management / data classification cost.</p>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 1.5: Source Code</i></p> <p>1. No Party shall require the transfer of, or access to, source code of software owned by a person of another Party, as a condition for the import, distribution, sale or use of such software, or of products containing such software, in its territory.</p> <p>2. For the purposes of this Article, software subject to paragraph 1 is limited to mass-market software or products containing such software and does not include software used for critical infrastructure.</p> <p>3. Nothing in this Article shall preclude:</p> <ul style="list-style-type: none"> <li>(a) the inclusion or implementation of terms and conditions related to the provision of source code in commercially negotiated contracts; or</li> <li>(b) a Party from requiring the modification of source code of software necessary for that software to comply with laws or regulations which are not inconsistent with this Agreement.</li> </ul> <p>This Article shall not be construed to affect requirements that relate to patent applications or granted patents, including any orders made by a judicial authority in relation to patent disputes, subject to safeguards against unauthorised disclosure under the law or practice of a Party.</p>	RCEP	Ensures consistency with existing Agreements to which ASEAN Member States have already agreed.

Suggested Draft Article	Source	Business Justification
<p><i>Article 1.6: Unsolicited Commercial Electronic Message</i></p> <ol style="list-style-type: none"> <li>Each Party shall adopt or maintain measures regarding unsolicited commercial electronic messages that:               <ol style="list-style-type: none"> <li>require suppliers of unsolicited commercial electronic messages to facilitate the ability of recipients to stop receiving such messages;</li> <li>require the consent, as specified according to its laws and regulations, of recipients to receive commercial electronic messages; or</li> <li>otherwise provide for the minimisation of unsolicited commercial electronic messages.</li> </ol> </li> <li>Each Party shall provide recourse against suppliers of unsolicited commercial electronic messages who do not comply with its measures implemented pursuant to paragraph 1.</li> <li>The Parties shall endeavour to cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages, <span style="color: red;">[suggested addition: including providing enforcement assistance against senders of unsolicited electronic messaging where such activity is cross-border in nature.]</span></li> </ol>	RCEP	<p>Ensures consistency with existing Agreements to which ASEAN Member States have already agreed.</p> <p>Addition to ensure collaboration between AMS</p>

*Additional input for Chapter 1:*

### **Under Article 1.2: Personal Information Protection**

#### **1. Data classification/definition**

##### Status quo/challenges:

Local regulations generally do not currently specify what types of data have to adhere to data localisation rules/law e.g. no distinction between personal data and business card data. This means businesses have to spend a lot more to engage external legal firms to assess data for their level of risk and whether we can transfer it cross-border.

##### Recommendation:

Define/classify data that is allowable for cross-border transfer/flow, including by the level of risk (high vs. low) and nature of data (personal vs. business card).

#### **2. Third-party contracts**

##### Status quo / challenges:

Banks currently have to share all third-party contracts with regulators. This delays the onboarding of third-party contractors and causes significant impact on the business while awaiting regulatory approval.

##### Recommendation:

Offer greater autonomy to businesses in having to submit third-party contracts for regulatory review/approval e.g. only in instances where there is personal data involved. We want regulators to focus on regulating for security measures and data protection protocol at a high level rather than scrutinise third-party details.

### **Under Article 1.3: Cross-Border Transfer of Information by Electronic Means**

#### **1. Data adequacy list / harmonisation of data protection laws**

##### Status quo / challenges:

Lack of a unified / harmonised framework for cross-border data flows.

For example, EU's GDPR defines/identifies a list of countries deemed to have adequate privacy/data protection laws.

##### Recommendation:

ASEAN to consider harmonising data governance policies, making them compatible with international standards to reduce complexity and cost for businesses operating in the region. Harmonisation could provide the platform for ASEAN to agree on a list of countries whose privacy / data protection

Suggested Draft Article	Source	Business Justification
laws are deemed adequate for cross-border data flows, thus make it easier and more efficient for companies/businesses operating in ASEAN to engage in cross-border business.		

Suggested Draft Article	Source	Business Justification
<b>Chapter 2: Cross Border Electronic Commerce</b> <i>Sources: CPTPP, RCEP, DEPA, WTO JSI</i>		
<p><i>Article 2.1: Definitions</i></p> <p>For the purposes of this Chapter:</p> <p><b>digital product</b> means a computer programme, text, video, image, sound recording or other product that is digitally encoded, produced for commercial sale or distribution, and that can be transmitted electronically;</p> <p><b>electronic authentication</b> means the process or act of verifying the identity of a party to an electronic communication or transaction and ensuring the integrity of an electronic communication;</p> <p><b>electronic transmission</b> or <b>transmitted electronically</b> means a transmission made using any electromagnetic means, including by photonic means;</p> <p><b>WTO Agreement</b> means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994.</p>	CPTPP	

Suggested Draft Article	Source	Business Justification
<p><i>Article 2.2: Principles and Objectives</i></p> <p>1. The Parties recognise the economic growth and opportunities provided by electronic commerce, the importance of frameworks that promote consumer confidence in electronic commerce, and the importance of facilitating the development and use of electronic commerce.</p> <p>2. The objectives of this Chapter are to:</p> <p>(a) promote electronic commerce among the Parties and the wider use of electronic commerce globally;</p> <p>(b) contribute to creating an environment of trust and confidence in the use of electronic commerce; and,</p> <p>(c) enhance cooperation among the Parties regarding development of electronic commerce.</p>	RCEP	Ensures consistency with existing Agreements to which ASEAN Member States have already agreed.

Suggested Draft Article	Source	Business Justification
<p><i>Article 2.3: Customs Duties on Electronic Transmissions</i></p> <p>1. For the purposes of this Article, "electronic transmission" means a transmission made using any electromagnetic means and includes the content of the transmission.</p> <p>2. The Parties acknowledge the importance of the Work Programme on Electronic Commerce (WT/L/274) and recognize that the practice of not imposing customs duties on electronic transmissions has played an important role in the development of the digital economy.</p> <p>3. No Party shall impose customs duties on electronic transmissions between a person of one Party and a person of another Party.</p> <p>4. For greater certainty, paragraph 3 does not preclude a Party from imposing internal taxes, fees, or other charges on electronic transmissions in a manner not inconsistent with the WTO Agreement.</p> <p>5. Taking into account the evolving nature of electronic commerce and digital technology, the Parties shall review this Article in the fifth year after the date of entry into force of this Agreement, and periodically thereafter, <b>at least every three years</b> with a view to assessing the impacts of this Article and whether any amendments are appropriate.</p>	WTO JSI	
<p><i>Article 2.4: Non-Discriminatory Treatment of Digital Products</i></p> <p>The Parties affirm their level of commitments relating to non-</p>	DEPA	

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Suggested Draft Article	Source	Business Justification
<p>discriminatory treatment of digital products, in particular, but not exclusively:</p> <p>1. No Party shall accord less favourable treatment to digital products created, produced, published, contracted for, commissioned or first made available on commercial terms in the territory of another Party, or to digital products of which the author, performer, producer, developer or owner is a person of another Party, than it accords to other like digital products.</p> <p>2. Paragraph 1 shall not apply to the extent of any inconsistency with a Party's rights and obligations concerning intellectual property contained in another international agreement a Party is party to.</p> <p>3. The Parties understand that this Article does not apply to subsidies or grants provided by a Party, including government-supported loans, guarantees and insurance.</p> <p>4. This Article shall not apply to broadcasting, [For legal certainty, the Parties shall establish a clear definition of "Broadcasting" and related services within this Agreement, taking into account relevant international standards and national regulatory frameworks.]</p>		<p>This suggestion is aimed at removing any ambiguity.</p>

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Suggested Draft Article	Source	Business Justification
<p><i>Article 2.5: Customs Procedures for E-Commerce Goods</i></p> <p>1. The provisions contained in Chapter X of the ASEAN Trade in Goods Agreement relating to Customs Procedures, including to those relating to Express Consignments, shall apply to the movement and clearance of e-Commerce Goods, mutatis mutandis, under this Agreement.</p>	New text	It is the view of the EU-ABC and other Joint Business Councils that all goods movements, whether e-commerce purchases goods, express consignment, or otherwise should only be covered in the ASEAN Trade in Goods Agreement.
<p><i>Article 2.6: Online Consumer Protection</i></p> <p>1. For the purposes of this Article, "misleading, fraudulent, and deceptive commercial activities" include:</p> <ul style="list-style-type: none"> <li>(a) making material misrepresentations, including implied factual misrepresentations, or false claims as to matters, such as the qualities, price, suitability for purpose, quantity, or origin of goods or services;</li> <li>(b) advertising goods or services for supply without intention or reasonable capability to supply;</li> <li>(c) failing to deliver goods or provide services to a consumer after the consumer is charged unless justified on reasonable grounds; and</li> <li>(d) charging a consumer for goods or services not requested.</li> </ul> <p>2. The Parties recognise the importance of transparent and effective measures that enhance consumer confidence and trust in electronic commerce. To this end, each Party shall adopt or maintain measures to proscribe misleading, fraudulent, and deceptive commercial activities that cause harm, or potential harm, to consumers engaged in electronic commerce.</p>	WTO JSI	We view the WTO JSI text as being more comprehensive than text in other existing Agreements including CPTPP.

Suggested Draft Article	Source	Business Justification
<p>3. To protect consumers engaged in electronic commerce, each Party shall endeavour to adopt or maintain measures that aim to ensure:</p> <ul style="list-style-type: none"> <li>a. that suppliers of goods or services deal fairly and honestly with consumers;</li> <li>b. that suppliers of goods or services provide complete, accurate, and transparent information on those goods or services, including any terms and conditions of purchase; and</li> <li>c. the safety of goods and, where applicable, services during normal or reasonably foreseeable use.</li> </ul> <p>4. The Parties recognise the importance of affording to consumers engaged in electronic commerce consumer protection at a level not less than that afforded to consumers engaged in other forms of commerce.</p> <p>5. The Parties recognise the importance of cooperation between their respective consumer protection agencies or other relevant bodies, including the exchange of information and experience, as well as cooperation in appropriate cases of mutual concern regarding the violation of consumer rights in relation to electronic commerce in order to enhance online consumer protection, where mutually decided.</p> <p>6. Each Party shall promote access to, and awareness of, consumer redress or recourse mechanisms, including for consumers transacting cross-border.</p>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 2.7: Cooperation</i></p> <p>1. Each Party shall, where appropriate, cooperate to:</p> <p>(a) work together to assist small and medium enterprises to overcome obstacles in the use of electronic commerce;</p> <p>(b) identify areas for targeted cooperation between the Parties which will help Parties implement or enhance their electronic commerce legal framework, such as research and training activities, capacity building, and the provision of technical assistance;</p> <p>(c) share information, experiences, and best practices in addressing challenges related to the development and use of electronic commerce;</p> <p>(d) encourage business sectors to develop methods or practices that enhance accountability and consumer confidence to foster the use of electronic commerce; and,</p> <p>(e) actively participate in regional and multilateral fora to promote the development of electronic commerce.</p> <p><b>(f) apply international standards</b></p> <p>2. The Parties shall endeavour to undertake forms of cooperation that build on and do not duplicate existing cooperation initiatives pursued in international fora.</p>	RCEP (Chapter 12)	<p>Ensures consistency with existing Agreements to which ASEAN Member States have already agreed. We consider this Article to be critical to helping less developed AMS to meet the requirements of the Agreement.</p>

Suggested Draft Article	Source	Business Justification
<p><i>Article 2.8: Principles on Access to and Use of the Internet for Electronic Commerce</i></p> <p>Subject to applicable policies, laws and regulations, the Parties recognise the benefits of consumers in their territories having the ability to:</p> <p>(a) access and use services and applications of a consumer's choice available on the Internet, subject to reasonable network management;</p> <p>(b) connect the end-user devices of a consumer's choice to the Internet, provided that such devices do not harm the network; and,</p> <p>(c) access information on the network management practices of a consumer's Internet access service supplier.</p>	CPTPP	

Suggested Draft Article	Source	Business Justification
<p><i>Article 2.9: Prevention of Illicit Trade in Electronic Commerce</i></p> <p>The Parties <u>shall endeavour</u> to put in place mechanisms to prevent the sale of illicit, counterfeit, or unlicensed parallel imported goods through electronic commerce platforms and to take appropriate legal enforcement and prosecution actions against sellers and platform owners who persist in selling, or allowing the sale, of illicit, counterfeit or unlicensed parallel imported goods.</p> <p>The Parties further agree to <u>take appropriate actions</u> to put in place appropriate co-operation mechanisms, within their territories, through memoranda of understanding or other similar means, between law enforcement agencies, platform owners and brand owners with the aim of creating expedited alert procedures to enable the speedy taking down of sellers of illicit, counterfeit, or unlicensed parallel imported goods.</p>	New Text	New Text from the EU-ABC aimed an entrenching into DEFA obligations to tackle online illicit trade.
<p><b>Chapter 3: Digital Trade</b></p> <p>Sources: DEPA, WTO JSI, UKSDEA</p>		

<p><i>Article 3.1: Definitions</i></p> <p>For the purposes of this Chapter:</p> <p><b>electronic invoicing</b> or <b>e-invoicing</b> means the automated creation, exchange and processing of request for payments between suppliers and buyers using a structured digital format;</p> <p><b>electronic payments</b> means the payer's transfer of a monetary claim on a person that is acceptable to the payee and made through electronic means;</p> <p><b>electronic record</b> means a record generated, communicated, received or stored by electronic means in an information system or for transmission from one information system to another;</p> <p><b>open standard</b> means a standard that is made available to the general public, developed or approved and maintained via a collaborative and consensus driven process, in order to facilitate interoperability and data exchange among different products or services and is intended for widespread adoption;</p> <p><b>single window</b> means a facility that allows persons involved in a trade transaction to electronically lodge data and documents with a single entry point to fulfil all import, export and transit regulatory requirements;</p> <p><b>trade administration documents</b> means forms issued or controlled by a Party that must be completed by or for an importer or exporter in connection with the import or export of goods;</p>	<p>DEPA</p> <p><a href="https://www.fsb.org/uploads/P250923.pdf">https://www.fsb.org/uploads/P250923.pdf</a></p>	
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Suggested Draft Article	Source	Business Justification
and  <b>UNCITRAL</b> means the United Nations Commission on International Trade Law.		



<p><i>Article 3.2: Paperless Trading</i></p> <p>1. Each Party shall make publicly available, including through a process prescribed by that Party, electronic versions of all existing publicly available trade administration documents.</p> <p>2. Each Party shall provide electronic versions of trade administration documents referred to in paragraph 1 in English, and shall endeavour to provide such electronic versions in a machine-readable format.</p> <p>3. Each Party shall accept electronic versions of trade administration documents as the legal equivalent of paper documents, except where: (a) there is a domestic or international legal requirement to the contrary; or (b) doing so would reduce the effectiveness of trade administration.</p> <p>4. Each Party shall establish or maintain a single window that enables persons to submit documentation or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies.</p> <p>5. The Parties shall endeavour to establish or maintain a seamless, trusted, high-availability and secure interconnection of their respective single windows to facilitate the exchange of data relating to trade administration documents, which may include:</p> <ul style="list-style-type: none"> <li>(a) sanitary and phytosanitary certificates;</li> <li>(b) import and export data; or</li> <li>(c) any other documents, as jointly determined by the Parties, and in doing so, the Parties shall provide public</li> </ul>	DEPA	<ol style="list-style-type: none"> <li>1. Increase adoption of Model Law on Electronic Trade Records (MLETR): Advocate and expedite the adoption of MLETR (or digital laws equivalent) with other ASEAN members which will help in digitalising trade across ASEAN. Governments to nudge carriers to support non-rule-book-based eBL solutions. This will increase adoption of eBL and support the digitalising of trade financing. <ol style="list-style-type: none"> <li>a. MLETR adoption is at different phases (exploration, discussion, adoption etc) across ASEAN countries. (Singapore the only country in ASEAN to have adopted MLETR while Thailand is in advanced stage – readiness assessment stage.)</li> </ol> </li> <li>2. To develop an interoperable electronic Bills of Lading (eBL) ecosystem within ASEAN. <ol style="list-style-type: none"> <li>a. Corporate requirements for eBL are infrequent and usually on one-off basis as 3rd party trade platforms are not interoperable. All parties (e.g. LC issuing bank, buyer, seller, seller's bank, carrier) have to be on the same 3rd party platform. Due to the above, we have not seen volumes/scale</li> </ol> </li> <li>3. Adoption of digital trade platforms: Opportunity in establishing connectivity across national platforms within ASEAN to create more digital interactions and</li> </ol>
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Suggested Draft Article	Source	Business Justification
<p>access to a list of such documents and make this list of documents available online.</p> <p>6. The Parties recognise the importance of facilitating, where relevant in each jurisdiction, the exchange of electronic records used in commercial trading activities between the Parties' businesses.</p> <p>7. The Parties shall endeavour to develop systems to support the exchange of:</p> <p style="padding-left: 40px;">(a) data relating to trade administration documents referred to in paragraph 5 between the competent authorities of each Party; and</p> <p style="padding-left: 40px;">(b) electronic records used in commercial trading activities between the Parties' businesses, where relevant in each jurisdiction.</p> <p>8. The Parties recognise that the data exchange systems referred to in paragraph 7 should be compatible and interoperable with each other. To this end, the Parties recognise the role of internationally recognised and, if available, open standards in the development and governance of the data exchange systems.</p> <p>9. The Parties shall cooperate and collaborate on new initiatives which promote and advance the use and adoption of the data exchange systems referred to in paragraph 7, including but not limited to, through:</p> <p style="padding-left: 40px;">(a) sharing of information, experiences and best practices in the area of development and governance of the data exchange systems; and</p>		<p>efficiency, possibly starting with Thailand and Malaysia as pilots:</p> <ol style="list-style-type: none"> <li>a. Malaysia's Trade Finance Platform (TFP) and Thailand's Trade Document Registry (TDR) perform similarly as Trade Finance Registry (TFR) in Singapore. Connecting these databases can potentially help to mitigate the risk of duplicate financing and will enhance trust and confidence among banks and traders.</li> <li>b. Singapore's SGTraDex with Thailand's National Digital Trade Platform (NDTP) could consider integration for trade facilitation across the corridor.</li> <li>c. Many customs offices in Indonesia have integrated using a common platform (CEISA) that allows all parties to a Customs Bond to verify its contents digitally. Hopefully, we will see this used for non-customs bonds as well in future.</li> <li>d. Working together with MoF, ABS, &amp; other participating Banks, "eguarantee@Gov" was launched end of 2022. eGuarantee@Gov serves government related guarantees which allows banks to issue, amend,</li> </ol>

Suggested Draft Article	Source	Business Justification
<p>(b) collaboration on pilot projects in the development and governance of data exchange systems.</p> <p>10. The Parties shall cooperate bilaterally and in international fora to enhance acceptance of electronic versions of trade administration documents and electronic records used in commercial trading activities between businesses.</p> <p>11. In developing other initiatives which provide for the use of paperless trading, each Party shall endeavour to take into account the methods agreed by relevant international organisations.</p>		<p>cancel guarantees electronically via the Networked Trade Platform (NTP) and no paper guarantees are used.</p> <p>4. No single digital platform across ASEAN</p> <p>a. Benefits of trade digitisation need to be articulated clearly with the support of regulators to push digital adoption. Key challenge today is having all parties agree to join a common digital platform, ideally one committed to by all ASEAN countries. Each country having individual digital platforms increases the complexity of integrating and sharing data, driving costs up as well. Influencing major key players may have a snowball effect on medium and smaller players.</p> <p>[Note on Article 3.2.4] The implementation of a single window is a critical pillar for trade digitalisation. Many governments in ASEAN would have allowed private platforms to operate as single window. All Parties to ensure that the single window supports 100% of trade administrative documents that facilitate trade digitalisation, as digitalisation will be impaired if even only 1 document is not supported by the single window.</p>

Suggested Draft Article	Source	Business Justification
		<p>[Note on Article 3.2.7]</p> <p>Systems are required, and minimally API service should be established. We would like to see limb 7 to address governments' responsibilities in removing barriers for importers/exporters and logistic parties in adopting systems developed whether by domestic or overseas companies without discrimination of the country of incorporation of these platform companies.</p>

Suggested Draft Article	Source	Business Justification
<p><i>Article 3.3: Domestic Electronic Transactions Framework</i></p> <p>1. Each Party shall maintain a legal framework governing electronic transactions consistent with the principles of:</p> <ul style="list-style-type: none"> <li>(a) the UNCITRAL Model Law on Electronic Commerce (1996); or</li> <li>(b) the United Nations Convention on the Use of Electronic Communications in International Contracts, done at New York, November 23, 2005.</li> </ul> <p>2. Each Party shall <del>create a roadmap</del> to adopt the UNCITRAL Model Law on Electronic Transferable Records (2017).</p> <p>3. Each Party shall endeavour to:</p> <ul style="list-style-type: none"> <li>(a) avoid imposing any unnecessary regulatory burden on electronic transactions; and</li> <li>(b) facilitate input by interested persons in the development of its legal framework for electronic transactions.</li> </ul>	DEPA, WTO JSI	Adoption of UNCITRAL is a critical pillar for trade digitalisation. While article 3.3 limb 1(a) & (b) is the minimum requirement (thus shall maintain is appropriate), there is an opportunity for ASEAN to adopt MLETR as a whole, to quicken ASEAN members' understanding of each of the members' legal framework.

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<p><i>Article 3.4: Electronic Invoicing</i></p> <p>1. The Parties recognise the importance of e-invoicing which increases the efficiency, accuracy and reliability of commercial transactions. The Parties also recognise the benefits of ensuring that the systems used for e-invoicing within their respective jurisdictions are interoperable with the systems used for e-invoicing in the other Parties' jurisdictions.</p> <p>2. Each Party shall ensure that the implementation of measures related to e-invoicing in its jurisdiction is designed to support cross-border interoperability. For that purpose, each Party shall base its measures related to e-invoicing on international standards, guidelines or recommendations, where they exist.</p> <p>3. The Parties recognise the economic importance of promoting the global adoption of interoperable e-invoicing systems. To this end, the Parties shall share best practices and collaborate on promoting the adoption of interoperable systems for e-invoicing.</p> <p>4. The Parties agree to cooperate and collaborate on initiatives which promote, encourage, support or facilitate the adoption of e-invoicing by businesses. To this end, the Parties shall endeavour to:</p> <p style="padding-left: 40px;">(a) promote the existence of underlying infrastructure to support e-invoicing; and</p> <p style="padding-left: 40px;">(b) generate awareness of and build capacity for e-invoicing.</p> <p>5. Each Party shall endeavour, as appropriate, to share best practices relating to electronic invoicing.</p>	<p>DEPA and WTO JSI (paragraph 5)</p>	<p>E-invoicing offers numerous benefits for businesses and governments. Some advantages identified are:</p> <ul style="list-style-type: none"> <li>• Cost Savings – Reduced paper usage and environmental impact</li> <li>• Increased Efficiency – Faster processing as invoices are created, sent and received instantly</li> <li>• Automation allows integration with accounting systems and workflows provides real-time tracking.</li> <li>• Enhance Security encrypted data transfers ensures data protection and reduced fraud.</li> <li>• Scalability and Global Reach – e-invoicing support international invoicing standard, making global transaction seamless.</li> </ul> <p>Malaysia has already embarked on its e-invoicing journey to strengthen its digital services infrastructure in 2024 with large corporate and financial institutions to be implemented by mid-2025.</p> <p>e-invoicing (invoices in data formats or created using platforms) is not a pre-requisite for trade digitalisation as long as parties recognise softcopies of invoices.</p>
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Suggested Draft Article	Source	Business Justification
6. Each Party shall apply international standards		

<p><i>Article 3.5: Electronic Authentication and Electronic Signatures</i></p> <p>1. For the purposes of this Article:</p> <p>(a) "electronic authentication" means the process or act of verifying the identity of a party to an electronic communication or transaction, or ensuring the integrity of an electronic communication; and</p> <p>(b) "electronic signature" means data in electronic form that is in, affixed to, or logically associated with an electronic data message and that may be used to identify the signatory in relation to the data message and indicate the signatory's approval of the information contained in the data message.</p> <p>2. Except in circumstances otherwise provided for under its laws or regulations, a Party shall not deny the legal effect, legal validity, or admissibility as evidence in legal proceedings of an electronic signature solely on the basis that the signature is in electronic form.</p> <p>3. No Party shall adopt or maintain measures that would:</p> <p>(a) prohibit parties to an electronic transaction from mutually determining the appropriate electronic authentication method or electronic signature for that transaction; or</p> <p>(b) prevent parties to an electronic transaction from having the opportunity to establish before judicial or administrative authorities that their transaction complies with any legal requirements with respect to electronic authentication or electronic signatures.</p> <p>4. Notwithstanding paragraph 3, a Party may require that, for a particular category of transactions, the method of authentication or electronic signature meets certain performance standards or is</p>	<p>WTO JSI</p>	<p>We advocate the inclusion of articles requiring Parties to amend laws on negotiable instruments, especially bills of exchange and promissory note, to specifically support electronic signatures or electronic endorsements to be equivalent to signatures.</p> <p>Electronic signatures on administrative documents should not need to be accompanied by ink stamps.</p>
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Suggested Draft Article	Source	Business Justification
<p>certified by an accredited authority in accordance with its laws or regulations.</p> <p>5. To the extent provided for under its laws or regulations, each Party shall apply paragraphs 2 to 4 to electronic seals, electronic time stamps, and electronic registered delivery services.</p> <p>6. Parties shall encourage the use of interoperable electronic authentication.</p> <p>7. Parties may work together, on a voluntary basis, to encourage the mutual recognition of electronic signatures.</p>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 3.5A – Digital ID</i></p> <p>Parties may work together, on a voluntary basis, to encourage the mutual recognition of Digital ID (covering citizens, entities, foreigners)</p>		
<p><i>Article 3.6: Electronic Contracts</i></p> <p>Except in circumstances otherwise provided for under its laws or regulations, a Party shall not deny the legal effect, legal validity, or enforceability of an electronic contract solely on the basis that the contract has been made by electronic means.</p>	WTO JSI	

<p><i>Article 3.7: Standards and Conformity for Digital Trade</i></p> <p>1. The Parties recognise the importance and contribution of standards, technical regulations and conformity assessment procedures in fostering a well-functioning digital economy, and further recognise their role in reducing barriers to trade by increasing compatibility, interoperability, and reliability.</p> <p>2. The Parties shall endeavour to participate and cooperate or, where appropriate, encourage their respective bodies to participate and cooperate, in areas of mutual interest in international fora that both Parties are party to, to promote the development of standards relating to digital trade.</p> <p>3. The Parties recognise that mechanisms that facilitate the cross-border recognition of conformity assessment results can support the digital economy.</p> <p>4. To this end, the Parties shall endeavour or, where appropriate, encourage their respective bodies, in areas of mutual interest, to:</p> <p>(a) exchange best practices relating to the development and application of standards, technical regulations and conformity assessment procedures that are related to the digital economy;</p> <p>(b) participate actively in international fora that both Parties or their respective bodies are party to in order to develop standards that are related to digital trade and to promote their adoption;</p>	<p>Singapore-UK DEA</p>	<ol style="list-style-type: none"> <li>1. Increase adoption of Model Law on Electronic Trade Records (MLETR): Advocate and expedite the adoption of MLETR (or digital laws equivalent) with other ASEAN members which will help in digitalising trades across ASEAN. A nudge from governments to carriers to support non-rule-book-based eBL solutions. This will increase adoption of eBL and supporting the digitalising of trade financing. <ol style="list-style-type: none"> <li>a. MLETR adoption is at different phases (exploration, discussion, adoption etc) across ASEAN countries. (Singapore the only country in ASEAN to have adopted MLETR while Thailand is in advanced stage – readiness assessment stage.)</li> </ol> </li> <li>2. Leverage on e-invoice requirement and regulation to minimise trade duplications/fraud: <ol style="list-style-type: none"> <li>a. Implement regionally (subject to standardisation) to only accept validated e-invoice for trade financing as country and industry practice whereby all banks and registered entities are made aware of the requirement. This will further supplement the use of Trade Finance Platform for duplication check to improve accuracy and minimise fictitious submissions.</li> </ol> </li> <li>3. Cross-Border Instant payment network</li> </ol>
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Suggested Draft Article	Source	Business Justification
<p>(c) identify, develop, and promote joint initiatives in the field of standards and conformity assessment that are related to digital trade;</p> <p>(d) actively consider the other Party's and its respective bodies' proposals for cooperation on standards, technical regulations and conformity assessment procedures relating to digital trade; and,</p> <p>(e) cooperate between governmental and non-governmental bodies, including cross-border research or test-bedding projects, to develop a greater understanding, between the Parties and industry, of standards, technical regulations and conformity assessment procedures.</p> <p>5. The Parties acknowledge the importance of information exchange and transparency with regard to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures for digital trade. Each Party should endeavour to, upon request, or where appropriate, encourage their respective bodies to provide information on standards, technical regulations and conformity assessment procedures relating to digital trade, in print or electronically, within a reasonable period of time agreed by the Parties and, if possible, within 60 days.</p>		<p>across the region</p> <p>a. Enabling cross-border instant payments across ASEAN which would accelerate and ease disbursement/ payment/ settlement for cross-border structures or where trading partners are in multiple countries across the region. A push from governments on this initiative should be encouraged.</p>

Suggested Draft Article	Source	Business Justification
<b>Chapter 4: Electronic Payments</b> <i>Source: DEPA, WTO JSI, ASEAN Payments Policy Framework for Cross-Border Real Time Retail Payments within the ASEAN Region</i>		

<p><i>Article 4.1: Definitions</i></p> <p>For this purposes of this Chapter:</p> <p><b>electronic payments</b> means the payer’s transfer of a monetary claim on a person that is acceptable to the payee and made through electronic means;</p> <p><b>self-regulatory organization</b> means a non-governmental body that is recognised by a Party as a self-regulatory body and exercises regulatory or supervisory authority over electronic payments service suppliers or financial service suppliers by statute of or delegation from that Party's central or regional government.</p> <p><b>cross-border payment</b> means a payment in which the financial institutions of the payer and the payee are located in different jurisdictions.</p> <p><b>cross-border retail payment</b> means a retail payment wherein the payer and the payee are located in different jurisdictions. For example, it involves domestic payment systems of at least two (2) jurisdictions, specialized processes and different currencies.</p> <p><b>Interoperability</b> enables financial products and services belonging to a particular scheme or business model to be used or interoperated between other schemes or business models usually of another institution in another jurisdiction. While interoperability often times require technical.</p>	<p>DEPA, WTO JSI, ASEAN Payments Policy Framework for Cross-Border Real Time Retail Payments within the ASEAN Region</p>	
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Suggested Draft Article	Source	Business Justification
<p><b>Payment</b> means the payer's transfer of a monetary claim on a party acceptable to the payee. Typically, claims take the form of cash or deposit balances held at a financial institution or at a central bank.</p> <p><b>Payment system</b> means a set of instruments, procedures, and rules for the transfer of funds between or among participants; the system includes the participants and the entity operating the arrangement.</p> <p><b>Real time retail payment</b> means a retail payment wherein the payee/recipient is able to receive funds transferred from a payer/sender at or near real time.</p> <p><b>Retail payment</b> means a payment that meets at least one of the following characteristics: (i) the payment is not directly related to a financial market transaction; (ii) the settlement is not time-critical; (iii) the payer, the payee, or both are individuals or non-financial organizations; and (iv) either the payer, the payee, or both are not direct participants in the payment system that is processing the payment.</p> <p><b>Retail payment system</b> means payment system that facilitates retail payments.</p>		

<p><i>Article 4.2: Electronic Payments</i></p> <p>1. Noting the rapid growth of electronic payments, in particular, those provided by new payment service providers, Parties agree to support the development of efficient, safe and secure cross border electronic payments by fostering the adoption and use of internationally accepted standards, promoting interoperability and the interlinking of payment infrastructures, and encouraging useful innovation and competition in the payments ecosystem.</p> <p>2. To this end, and in accordance with their respective laws and regulations, the Parties recognise the following principles:</p> <p>(a) The Parties shall endeavour to make their respective regulations on electronic payments, including those pertaining to regulatory approval, licensing requirements, procedures and technical standards, publicly available in a timely manner.</p> <p>(b) The Parties shall endeavour to take into account, for relevant payment systems, internationally accepted payment standards to enable greater interoperability between payment systems.</p> <p>(c) The Parties shall endeavour to promote the use of Application Programming Interface (API) and to encourage financial institutions and payment service providers to make available APIs of their financial products, services and transactions to third party players where possible to facilitate greater interoperability and innovation in the electronic-payments ecosystem.</p> <p>(d) The Parties shall endeavour to enable cross-border authentication and electronic know-your-customer of individuals and businesses using digital identities.</p>	<p>DEPA Paragraph 1, 2 EU-ABC addition Paragraph 2(g) WTO JSI Paragraphs 3-9</p> <p>Singapore – Thailand agreement on Prompt- Pay / PayNow as a basis.</p>	
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Suggested Draft Article	Source	Business Justification
<p>(e) The Parties recognise the importance of upholding safety, efficiency, trust and security in electronic payment systems through regulation. The implementation of regulation should, where appropriate, be proportionate to and commensurate with the risks posed by the provision of electronic payment systems.</p> <p>(f) The Parties agree that policies should promote innovation and competition in a level playing field and recognise the importance of enabling the introduction of new financial and electronic payment products and services by incumbents and new entrants in a timely manner such as through adopting regulatory and industry sandboxes.</p> <p>(g) The Parties shall endeavour to adopt internationally-accepted practices, such as HVPS+ for High-Value Payment Systems, and IP+ for Instant Payment Systems, including adopting Unique End-to-end Transaction Reference (UETR) to enable traceability of cross-border transactions and align to ISO 20022 External Category Purpose Code, ensuring that all systems comply with globally recognised standards to facilitate secure, efficient, traceable, and reliable cross-border transactions.</p> <p>3. Noting the rapid growth of electronic payments, in particular those supplied by new electronic payments services suppliers, the Parties recognize:</p> <p>(a) the benefit of supporting the development of safe, efficient, trustworthy, secure, affordable, and accessible cross-border electronic payments by fostering the adoption and use of internationally accepted standards, promoting interoperability of electronic payments systems, and</p>		<p>Ensures alignment with existing practices for money transfers for banks etc. as means of ensuring compliance with Anti-Money Laundering regulations</p>

Suggested Draft Article	Source	Business Justification
<p>encouraging useful innovation and competition in electronic payments services;</p> <p>(b) the importance of enabling the introduction of safe, efficient, trustworthy, secure, affordable, and accessible electronic payment products and services in a timely manner; and</p> <p>(c) the importance of upholding safe, efficient, trustworthy, secure, and accessible electronic payments systems through laws and regulations that, where appropriate, account for the risks of such systems.</p> <p>4. In accordance with its laws and regulations, each Party shall endeavour to:</p> <p>(a) make its laws and regulations on electronic payments, including those pertaining to regulatory approvals, licensing requirements, procedures, and technical standards, publicly available in a timely manner;</p> <p>(b) finalise decisions on regulatory or licensing approvals in a timely manner;</p> <p>(c) take into account, for relevant electronic payments systems, internationally accepted payment standards to enable greater interoperability between electronic payments systems; and</p> <p>(d) encourage electronic payments service suppliers and financial service suppliers to facilitate greater interoperability, competition, security, and innovation in electronic payments, which may include partnerships with third-party providers, subject to appropriate risk management.</p>		

Suggested Draft Article	Source	Business Justification
<p>5. Subject to any terms, limitations, conditions, or qualifications set out in its Schedule of Commitments to the GATS ("Schedule"), each Party shall grant, on terms and conditions that accord national treatment, financial service suppliers of another Party established in its territory access to payment and clearing systems operated by a public entity.</p> <p>6. A Party that has not undertaken a commitment referred to in paragraph 5, shall endeavour to comply with the obligation specified therein, to the extent practicable.</p> <p>7. For greater certainty, nothing in paragraphs 5 or 6 requires a Party to allow service suppliers of another Party to engage in the services on which it has not undertaken specific commitments under the GATS.</p> <p>8. Each Party shall, to the extent applicable, take such reasonable measures as may be available to it to ensure that the rules of general application adopted or maintained by its self-regulatory organizations are promptly published or otherwise made publicly available.</p> <p>9. For greater certainty, nothing in this Article prevents a Party from adopting or maintaining measures regulating the need to obtain licenses or permits, or the approval of access applications.</p>		

*Article 4.3: Interoperability and harmonised policies for Cross-Border Real-Time Retail Payments*

The Parties shall endeavour to promote interoperability and provide an enabling regulatory environment for the successful implementation of cross-border real time retail payments within the ASEAN region. To this end, The Parties shall determine:

6. Feasible means to effectively and efficiently operationalize interoperable real time retail payment systems in the ASEAN Region.
7. Rules on pricing, specifically on the charging to the payer and payee in different AMS. As a matter of principle, pricing for the ASEAN real time retail payments should adopt a reasonable, transparent and fully disclosed pricing mechanism.
8. Appropriate cooperative oversight arrangement among the central banks, monetary authorities or other regulators with a clear mandate to oversee the participants in the ASEAN real time retail payment system.
9. Appropriate dispute resolution mechanisms that, as a minimum, should be incorporated in the agreements of the participating financial institutions, the clearing operators, the service providers and the settlement banks.
10. Channels, instruments, and innovative technologies that may be used to facilitate and secure cross-border real time retail payments in the region, including the possibility of adopting a common regional Quick Response (QR) code standard using ISO 20022 data model, taking into consideration the developments in the unique retail payment landscape of each ASEAN Member State.

ASEAN Payments Policy Framework for Cross-Border Real Time Retail Payments within the ASEAN Region with amendments in red

1. Facilitating interoperability to ensure innovation can scale and to promote access to regional markets:
  - a. Technical interoperability: Harmonising different technical standards, messaging formats and processing flows across different domestic systems can help to facilitate greater interoperability between stakeholders involved in cross-border payments. The adoption of ISO20022 in payments, for example, provides a consistent format to collect and use data, making it relevant for every type of financial business transaction.
  - b. Regulatory interoperability: There is a need to harmonise regulatory standards surrounding cross-border payments and other underlying enablers. Many businesses continue to face high compliance costs in navigating a complex regulatory environment for cross-border commerce in the region due to varying approaches on these issues. Enabling cross-border data flows, for example, remains contentious given sensitivities surrounding the collection and use of data. Governments can support this

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Suggested Draft Article	Source	Business Justification
<p>11. Policies on disclosure and other consumer protection concerns (such as handling of consumer complaints and inquiries).</p>		<p>through developing consensus on data governance standards in the region through digital agreements and MOUs.</p> <p>2. Fintech partnerships: Enabling cross-border QR payments by partnering with fintechs (regulatory-led corridors tend to be purely retail/P2P), with the objective of promoting greater adoption of digital cross-border payments in region.</p> <p>3. Reducing fragmentation through leveraging existing infra/services: Reuse existing investments and assets such as Swift connectivity and services, so as to reduce fragmentation and costs, and increase ease of adoption.</p>

Suggested Draft Article	Source	Business Justification
Chapter 5: Digital IDs <i>Source: DEPA, SADEA, UKSDEA, KSDPA</i>		

*Article 5.1: Digital Identities*

1. Recognising that the cooperation of the Parties on digital identities, individual or corporate, will increase regional and global connectivity, and recognising that each Party may have different implementations of, and legal approaches to, digital identities, each Party shall endeavour to promote the interoperability between their respective regimes for digital identities. This may include:
  - a. the establishment or maintenance of appropriate frameworks to foster technical interoperability or common standards between each Party's implementation of digital identities;
  - b. comparable protection of digital identities afforded by each Party's respective legal frameworks, or the recognition of their legal and regulatory effects, whether accorded autonomously or by mutual agreement;
  - c. the establishment or maintenance of broader international frameworks;
  - d. implementing use cases for the mutual recognition of digital identities; and
  - e. the exchange of knowledge and expertise on best practices relating to digital identity policies and regulations, technical implementation and security standards, and user adoption.

2. For greater certainty, nothing in this Article shall prevent a Party from adopting or maintaining measures inconsistent with paragraph 1 to achieve a legitimate public policy objective.

Suggested Draft Article	Source	Business Justification
Chapter 6: Online Safety and Cybersecurity Source: DEPA, EUSDTA, SADEA, UKSDEA		



<p><i>Article 6.1: Online Safety and Security</i></p> <ol style="list-style-type: none"> <li>1. The Parties recognise that a safe and secure online environment supports the digital economy.</li> <li>2. The Parties recognise the importance of taking a multi-stakeholder approach to addressing online safety and security issues.</li> <li>3. The Parties shall endeavour to cooperate to advance collaborative solutions to global issues affecting online safety and security.</li> <li>4. The Parties shall create and promote a safe online environment where users are protected from harmful content, including terrorist and violent extremist content, and where businesses, innovation and creativity can thrive.</li> <li>5. The Parties recognise that online safety is a significant challenge but it is a shared responsibility between governments, technology service providers and users. The Parties further recognise that a safe, secure online environment supports the digital economy.</li> <li>6. The Parties also recognise that industry has a responsibility to adopt or maintain preventative measures to protect natural persons, especially children and vulnerable members of the community, from harmful online experiences.</li> </ol>	<p>DEPA, SADEA</p>	
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Suggested Draft Article	Source	Business Justification
<p>7. The Parties shall work together and within international fora to create a safe online environment, in accordance with their respective laws and regulations.</p> <p>8. In working together to create a safe online environment, the Parties shall endeavour to maintain an open, free and secure Internet in accordance with their respective laws and regulations.</p>		

<p><i>Article 6.2: Cybersecurity and cybersecurity cooperation</i></p> <ol style="list-style-type: none"> <li>1. The Parties recognise that threats to cybersecurity undermine confidence in digital trade.</li> <li>2. The Parties have a shared vision to promote secure digital trade to achieve global prosperity and recognise that cybersecurity underpins the digital economy.</li> <li>3. The Parties recognise the evolving nature of cyber threats. In order to identify and mitigate those threats and thereby facilitate digital trade the Parties shall endeavour to:             <ol style="list-style-type: none"> <li>a. building the capabilities of their national entities responsible for computer security incident response;</li> <li>b. using existing collaboration mechanisms to cooperate to identify and mitigate malicious intrusions or dissemination of malicious code that affect the electronic networks of the Parties; and</li> <li>c. <u>promote</u> workforce development in the area of cybersecurity, including through possible initiatives relating to mutual recognition of qualifications, diversity and equality.</li> </ol> </li> <li>4. Given the evolving nature of cyber threats and their negative impact on digital trade, the Parties recognise the importance of risk-based approaches in addressing those threats while minimising trade barriers. Accordingly, each Party shall endeavour to employ, and to encourage enterprises within its jurisdiction to use, risk-based approaches that rely on risk management best practices and on standards developed in a consensus-based, transparent, and open manner, to</li> </ol>	<p>DEPA, EUSDTA, UKSDEA</p>	
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Suggested Draft Article	Source	Business Justification
<p>identify and protect against cybersecurity risks, to detect cybersecurity events, and to respond to and recover from cybersecurity incidents.</p> <p>5. All Parties shall use all reasonable means to avoid the use of data localisation as to cybersecurity tool.</p>		

Suggested Draft Article	Source	Business Justification
<b>Chapter 7: Digital Talent Mobility</b> <i>Source: CPTPP, ASEAN Framework Agreement on Services (AFAS)</i>		

<p><i>Article 7.1: Definitions</i></p> <p>For the purposes of this Chapter:</p> <p>1. <b>business person</b> means:</p> <ul style="list-style-type: none"> <li>a. a natural person who has the nationality of a Party according to Annex 1-A (Party-Specific Definitions); or</li> <li>b. a permanent resident of a Party that, prior to the date of entry into force of this Agreement, has made a notification consistent with Article XXVIII(k)(ii)(2) of GATS that that Party accords substantially the same treatment to its permanent residents as it does to its nationals,</li> </ul> <p>who is engaged in trade in goods, the supply of services or the conduct of investment activities;</p> <p>2. <b>immigration formality</b> means a visa, permit, pass or other document or electronic authority granting temporary entry;</p> <p>3. <b>temporary entry</b> means entry into the territory of a Party by a business person of another Party who does not intend to establish permanent residence;</p> <p>4. <b>digital talent</b> means individuals with specialised knowledge, skills, and expertise in digital technologies, including but not limited to information technology, software development, data analytics, cybersecurity, artificial intelligence, machine learning, and digital services. Given the rapidly evolving nature of the digital economy, the definition of <b>digital talent</b></p>	<p>CPTPP, addition of digital talent and digital nomad definitions from EU-ABC</p>	
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Suggested Draft Article	Source	Business Justification
<p>is flexible and may be determined by industry sectors to meet their specific, changing needs; and</p> <p>5. <b>digital nomad</b> means an individual who engages in remote work, typically in the digital economy, using technology and the internet to perform professional tasks and services while traveling or residing in different locations, without being tied to a specific workplace or employer, and is able to maintain an income independent of the physical location of their employer or clients.</p>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 7.2: Scope</i></p> <ol style="list-style-type: none"> <li>1. This Chapter shall apply to measures that affect the temporary entry of business persons of a Party into the territory of another Party.</li> <li>2. This Chapter shall not apply to measures affecting natural persons seeking access to the employment market of another Party, nor shall it apply to measures regarding citizenship, nationality, residence or employment on a permanent basis.</li> <li>3. Nothing in this Agreement shall prevent a Party from applying measures to regulate the entry of natural persons of another Party into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that those measures are not applied in a manner as to nullify or impair the benefits accruing to any Party under this Chapter.</li> <li>4. The sole fact that a Party requires business persons of another Party to obtain an immigration formality shall not be regarded as nullifying or impairing the benefits accruing to any Party under this Chapter.</li> <li>5. <b>The parties shall not impose work permit restrictions on the temporary deployment of a Business Person involved in technical implementation of means to support cross border data flows.</b></li> </ol>	CPTPP	



<p><i>Article 7.3: Grant of Temporary Entry</i></p> <ol style="list-style-type: none"> <li>1. Each Party shall set out in Annex 12-A the commitments it makes with regard to temporary entry of business persons, which shall specify the conditions and limitations for entry and temporary stay, including length of stay, for each category of business persons specified by that Party.</li> <li>2. A Party shall grant temporary entry or extension of temporary stay to business persons of another Party to the extent provided for in those commitments made pursuant to paragraph 1, provided that those business persons:             <ol style="list-style-type: none"> <li>a. follow the granting Party's prescribed application procedures for the relevant immigration formality; and</li> <li>b. meet all relevant eligibility requirements for temporary entry or extension of temporary stay</li> </ol> </li> <li>3. The sole fact that a Party grants temporary entry to a business person of another Party pursuant to this Chapter shall not be construed to exempt that business person from meeting any applicable licensing or other requirements, including any mandatory codes of conduct, to practise a profession or otherwise engage in business activities.</li> <li>4. A Party may refuse to issue an immigration formality to a business person of another Party if the temporary entry of that person might affect adversely:             <ol style="list-style-type: none"> <li>a. the settlement of any labour dispute that is in progress at the place or intended place of employment; or</li> </ol> </li> </ol>	CPTPP	
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Suggested Draft Article	Source	Business Justification
<p>b. the employment of any natural person who is involved in such dispute.</p> <p>5. When a Party refuses pursuant to paragraph 4 to issue an immigration formality, it shall inform the applicant accordingly.</p>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 7.4: Provision of Information</i></p> <p>1. Each Party shall:</p> <ul style="list-style-type: none"> <li>a. promptly publish online if possible or otherwise make publicly available, information on: <ul style="list-style-type: none"> <li>i. current requirements for temporary entry under this Chapter, including explanatory material and relevant forms and documents that will enable interested persons of the other Parties to become acquainted with those requirements; and</li> <li>ii. the typical timeframe within which an application for an immigration formality is processed; and</li> </ul> </li> <li>b. establish or maintain appropriate mechanisms to respond to enquiries from interested persons regarding measures relating to temporary entry covered by this Chapter.</li> </ul>	CPTPP	

Suggested Draft Article	Source	Business Justification
<p><i>Article 7.5: Committee on Temporary Entry for Business Persons</i></p> <ol style="list-style-type: none"> <li>1. The Parties hereby establish a Committee on Temporary Entry for Business Persons (Committee), composed of government representatives of each Party.</li> <li>2. The Committee shall meet once every three years, unless otherwise agreed by the Parties, to:               <ol style="list-style-type: none"> <li>a. review the implementation and operation of this Chapter;</li> <li>b. consider opportunities for the Parties to further facilitate temporary entry of business persons, including through the development of activities undertaken pursuant to Article 12.8 (Cooperation); and</li> <li>c. consider any other matter arising under this Chapter.</li> </ol> </li> <li>3. A Party may request discussions with one or more other Parties with a view to advancing the objectives set out in paragraph 2. Those discussions may take place at a time and location agreed by the Parties involved in those discussions</li> </ol>	CPTPP	

Suggested Draft Article	Source	Business Justification
<p><i>Article 7.6: Cooperation</i></p> <p>1. Recognising that the Parties can benefit from sharing their diverse experience in developing and applying procedures related to visa processing and border security, the Parties shall consider undertaking mutually agreed cooperation activities, subject to available resources, including by:</p> <ul style="list-style-type: none"> <li>a. providing advice on the development and implementation of electronic processing systems for visas;</li> <li>b. sharing experiences with regulations, and the implementation of programmes and technology related to: <ul style="list-style-type: none"> <li>i. border security, including those related to the use of biometric technology, advanced passenger information systems, frequent passenger programmes and security in travel documents; and</li> <li>ii. the expediting of certain categories of applicants in order to reduce facility and workload constraints; and</li> </ul> </li> <li>c. cooperating in multilateral fora to promote processing enhancements, such as those listed in subparagraphs (a) and (b).</li> </ul>	CPTPP	

Suggested Draft Article	Source	Business Justification
<p><i>Article 7.7: Mutual Recognition</i></p> <p>1. Each <b>Party</b> may recognise the education or experience obtained, requirements met, or licenses or certifications granted in another <b>Party</b> or the purpose of licensing or certification of service suppliers. Such recognition may be based upon an agreement or arrangement with the <b>Party</b> concerned or may be accorded autonomously.</p> <p>2. Nothing in paragraph 1 shall be so construed as to require any <b>Party</b> to accept or to enter into such mutual recognition agreements or arrangements.</p>	AFAS	

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<p><i>Article 7.8: Preferential support for Mobility of Digital Talent within ASEAN, for ASEAN nationals and residents of ASEAN</i></p> <ol style="list-style-type: none"> <li>1. The Parties recognise the vital role that digital talent plays in enhancing innovation, driving the digital economy, and fostering deeper regional integration within ASEAN. The Parties agree to adopt preferential measures to support the mobility of digital talent across ASEAN Member States.</li> <li>2. Each ASEAN Member State shall adopt measures to facilitate the temporary entry of digital talent into their territories. These measures may include the simplification of visa, work permit, and other entry requirements for individuals with recognised skills and expertise in the digital economy, including but not limited to information technology, e-commerce, data analytics, and digital transformation.</li> <li>3. ASEAN Member States shall ensure that digital talent from other ASEAN countries are not subject to discrimination based on nationality, citizenship, or other non-relevant factors. Equal treatment shall be afforded to digital professionals from other AMS with respect to employment, business activities, and professional opportunities in the digital sector.</li> <li>4. The Parties shall ensure flexibility in employment conditions for digital talent. This includes allowing digital professionals to engage in a variety of work arrangements, including remote work, freelancing, and entrepreneurial activities within the ASEAN region.</li> </ol>	<p><b>New Text</b></p>	<p>Designed to encourage mobility of digital talent within ASEAN</p>
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Suggested Draft Article	Source	Business Justification
<p>5. The Parties recognise the growing importance of digital nomads as a key driver of innovation and talent in the digital economy.</p> <ul style="list-style-type: none"> <li>a. Each Party shall consider the introduction or enhancement of a "Digital Nomad Visa" program, drawing on successful examples within ASEAN and globally, such as the Smart Visa in Thailand and the Digital Nomad Visa in Estonia.</li> <li>b. The Parties shall coordinate the requirements and benefits of these Digital Nomad Visa programs to ensure that they are aligned with the broader goals of DEFA, including simplified application processes, tax incentives, and access to local services.</li> <li>c. The Parties shall explore the creation of a regional digital nomad framework that allows digital nomads to move freely between ASEAN member states under a single visa regime, subject to specific terms and conditions agreed upon by the Parties.</li> </ul>		



Suggested Draft Article	Source	Business Justification
<b>Chapter 8: Cooperation on Emerging Technologies &amp; Digital Innovation</b> <i>Sources: DEPA, UKSDEA</i>		
<p><i>Article 8.1: Financial Technology Cooperation</i></p> <p>The Parties shall promote cooperation between the financial technology (FinTech) industry in the Parties. The Parties recognise that effective cooperation regarding FinTech will require involvement of businesses. To this end, the Parties shall:</p> <ul style="list-style-type: none"> <li>(a) promote cooperation between firms in the FinTech sector;</li> <li>(b) promote development of FinTech solutions for business or financial sectors; and,</li> <li>(c) encourage collaboration of entrepreneurship or start-up talent between the Parties in FinTech, consistent with the laws and regulations of the respective Parties.</li> </ul>	DEPA	

<p><i>Article 8.2: Artificial Intelligence</i></p> <p>1. The Parties recognise that artificial intelligence ("AI") and emerging technologies, including distributed ledger technologies, digital twins, immersive technologies and the Internet of Things, play important roles in promoting economic competitiveness and facilitating international trade and investment flows, and may require coordinated action across multiple trade policy areas to maximise their economic and social benefits. The Parties also recognise that the use and adoption of AI technologies are becoming increasingly important within a digital economy offering significant social and economic benefits.</p> <p>2. The Parties recognise the economic and social importance of developing ethical and governance frameworks for the trusted, safe and responsible use of AI technologies. In view of the cross-border nature of the digital economy, the Parties further acknowledge the benefits of developing mutual understanding and ultimately ensuring that such frameworks are internationally aligned, in order to facilitate, as far as possible, the adoption and use of AI technologies across the Parties' respective jurisdictions.</p> <p>3. To this end, the Parties shall endeavour to promote the adoption of ethical and governance frameworks that support the trusted, safe and responsible use of AI technologies (AI Governance Frameworks) that will help realise the benefits of these technologies. To this end, in developing such frameworks, the Parties recognise the importance of:</p>	<p>DEPA, UK-Singapore DEA (texts blended together)</p>	
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Suggested Draft Article	Source	Business Justification
<p>(a) taking into account the principles and guidelines of relevant international bodies;</p> <p>(b) utilising risk-based approaches to regulation that are based on industry-led standards and risk management best practices; and,</p> <p>(c) having regard to the principles of technological interoperability and technological neutrality.</p> <p>4. In adopting AI Governance Frameworks, the Parties shall endeavour to take into consideration internationally recognised principles or guidelines, including explainability, transparency, fairness and human-centred values. The Parties shall further endeavour, where appropriate, to cooperate on matters related to AI and emerging technologies with respect to digital trade, including their cross-border deployment. Such cooperation may include:</p> <p>(a) exchanging information and sharing experiences and best practices on research and industry activities, laws, regulations, policies, enforcement and compliance and promoting interoperability between international AI governance frameworks;</p> <p>(b) cooperating on issues and developments relating to AI and emerging technologies, such as ethical use, human diversity and unintended biases, industry-led technical standards and algorithmic transparency;</p> <p>(c) promoting collaboration between each Party's governmental and nongovernmental entities across research, academia, and industry, in relation to:</p>		

Suggested Draft Article	Source	Business Justification
<p>(i) research and development opportunities;  (ii) joint deployment and test-bedding opportunities;  (iii) opportunities for investment in and commercialisation of AI and emerging technologies; and,  (iv) responsible use and adoption of AI technologies; and,</p> <p>( d) participating actively in international fora, such as the Global Partnership on Artificial Intelligence, on matters concerning the interaction between trade and AI and emerging technologies.</p>		

<p><i>Article 8.3: Digital Innovation</i></p> <ol style="list-style-type: none"> <li>1. For the purposes of this Article, <b>open data</b>, means digital data that is made available with the technical and legal characteristics necessary for it to be freely used, reused, and redistributed. This definition relates only to information held or processed by or on behalf of a Party.</li> <li>2. The Parties affirm the importance of technological innovation, creativity, and the transfer and dissemination of technology, being for the mutual advantage of producers and users of knowledge, as a means to achieve social and economic welfare.</li> <li>3. The Parties recognise the importance of a rich and accessible public domain.</li> <li>4. The Parties also acknowledge the importance of informational materials, such as publicly accessible databases of registered intellectual property rights that assist in the identification of subject matter that has fallen into the public domain.</li> <li>5. The Parties recognise that cross-border data flows and data sharing enable data-driven innovation. The Parties further recognise that innovation may be enhanced within the context of regulatory data sandboxes where data, including personal information, is shared amongst businesses in accordance with the Parties' respective laws and regulations.</li> </ol>	DEPA	
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Suggested Draft Article	Source	Business Justification
<p>6. The Parties also recognise that data sharing mechanisms, such as trusted data sharing frameworks and open licensing agreements, facilitate data sharing and promote its use in the digital environment to:</p> <p>(a) promote innovation and creativity;</p> <p>(b) facilitate the diffusion of information, knowledge, technology, culture and the arts; and,</p> <p>(c) foster competition and open and effective markets.</p> <p>7. The Parties shall endeavour to collaborate on data-sharing projects and mechanisms, and proof of concepts for new uses of data, including data sandboxes, to promote data-driven innovation.</p> <p>8. The Parties shall endeavour to co-operate on the sharing of Open Data (Non-Personal Information)</p>		

Suggested Draft Article	Source	Business Justification
Chapter 9: Competition Policy & Regulatory Oversight <i>Source: UKSDEA, WTO JSI</i>		

Suggested Draft Article	Source	Business Justification
<p><i>Article 9.1. Cooperation on Competition Policy</i></p> <p>1. Recognising that the Parties can benefit by sharing their experiences in enforcing competition law and in developing and implementing competition policies to address the challenges that arise from the digital economy, the Parties shall consider undertaking agreed technical cooperation activities, including:</p> <p>(a) exchanging information and experiences on the development of competition policies for digital markets;</p> <p>(b) sharing best practices on the enforcement of competition law and the promotion of competition in digital markets;</p> <p>(c) providing advice or training, including through the exchange of officials, to assist a Party to build necessary capacities to strengthen competition policy development and competition law enforcement in digital markets; and,</p> <p>(d) any other form of technical cooperation agreed by the Parties.</p> <p>2. The Parties shall endeavour to cooperate, where practicable, on issues of competition law enforcement in digital markets between their respective authorities, including through notification, consultation and the exchange of information.</p> <p>3. Any cooperation under paragraphs 1 and 2 shall be in a manner compatible with each Party's domestic law and important interests, and within their available resources.</p>	<p>Singapore-UK DEA</p>	



Suggested Draft Article	Source	Business Justification
<p><i>Article 9.2: Competitive Safeguards</i></p> <p>1. Prevention of anti-competitive practices in telecommunications and provision of internet services</p> <p>Appropriate measures shall be maintained by the <u>Parties</u> for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.</p> <p>2. Safeguards</p> <p>The anti-competitive practices referred to in Article 10.2.1 above include, in particular:</p> <ul style="list-style-type: none"> <li>(a) engaging in anti-competitive cross-subsidisation;</li> <li>(b) using information obtained from competitors with anti-competitive results; and,</li> <li>(c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.</li> </ul>	Annex to the WTO-JSI	

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Suggested Draft Article	Source	Business Justification
<p><i>Article 9.3: Independent Regulators</i></p> <p>The regulatory body overseeing telecommunication and internet services in party to this Agreement will be a separate body from, and not accountable to, any supplier of basic telecommunication or internet services. The decisions of and the procedures used by the regulators shall be impartial with respect to all market participants.</p>	Based on text in the Annex to WTO-JSI	
<p><i>Article 9.4: Licensing Criteria</i></p> <p><u>1. Where a licence is required to provide digital services, each Party shall make the following information publicly available:</u></p> <p><u>a. all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and,</u></p> <p><u>b. the terms and conditions of individual licences</u></p> <p><u>2. The reasons for denial of a licence will be made known to the applicant upon request.</u></p>	Annex to the WTO-JSI amended to ensure consistency of language	

**Deleted:** <#>Where a licence is required to provide digital services the following will be made publicly available:¶  
all the licensing criteria and the period of time normally required to reach a decision concerning an application for a licence; and,¶  
the terms and conditions of individual licences¶  
¶  
The reasons for denial of a licence will be made known to the applicant upon request.¶

<p><i>Article 9.5: Interconnection</i></p> <ol style="list-style-type: none"> <li>1. This Section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access services provided by another supplier, where specific commitments are undertaken.</li> <li>2. Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided: <ol style="list-style-type: none"> <li>a. under non-discriminatory terms, conditions (including technical standards and specifications), and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;</li> <li>b. in a timely fashion, on terms, conditions (including technical standards and specifications), and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and</li> <li>c. upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.</li> </ol> </li> </ol>	<p>Annex to WTO-JSI</p>	
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Suggested Draft Article	Source	Business Justification
<p>3. The procedures applicable for interconnection to a major supplier will be made publicly available.</p> <p>4. It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.</p> <p>5. A service provider requesting interconnection with a major supplier will have recourse either:</p> <ul style="list-style-type: none"> <li>a. at any time; or,</li> <li>b. after a reasonable period of time which has been made publicly known,</li> </ul> <p>to an independent domestic body, which may be a regulatory body as referred to in Article 9.3 above, to resolve disputes regarding appropriate terms, conditions, and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.</p>		
<b>Chapter 10: Government Procurement</b> <i>Source: DEPA</i>		
<p>1. The Parties recognise that the digital economy will have an impact on government procurement and affirm the importance of open, fair and transparent government procurement markets.</p> <p>2. To this end, the Parties shall undertake cooperation activities in relation to understanding how greater digitisation of procurement</p>	Source: DEPA	

Suggested Draft Article	Source	Business Justification
processes, and of goods and services impacts on existing and future international government procurement commitments.		
<b>Chapter 11: Open Government Data</b> <i>Source: WTO JSI</i>		
<ol style="list-style-type: none"> <li>1. For the purposes of this Article, "metadata" means structural or descriptive information about data, such as the content, format, source, rights, accuracy, provenance, frequency, periodicity, granularity, publisher or responsible party, contact information, method of collection, or context.</li> <li>2. This Article shall apply to measures adopted or maintained by a Party with respect to data held by its central government, disclosure of which is not restricted under its law and which that Party makes digitally available for public access and use (hereinafter referred to as "government data").</li> <li>3. The Parties recognise the benefit of making data held by regional or local governments digitally available for public access and use in a manner consistent with paragraphs 4 to 6.</li> <li>4. The Parties recognise that facilitating public access to and use of government data fosters economic and social development, competitiveness, and innovation. To this end, the Parties are encouraged to expand the coverage of such data, such as through engagement and consultation with interested stakeholders.</li> </ol>	WTO JSI	

Suggested Draft Article	Source	Business Justification
<p>5. To the extent that a Party chooses to make government data digitally available for public access and use, it shall endeavour, to the extent practicable, to ensure that such data is:</p> <ul style="list-style-type: none"> <li>(a) made available in a machine-readable and open format;</li> <li>(b) searchable and retrievable;</li> <li>(c) updated, as applicable, in a timely manner;</li> <li>(d) accompanied by metadata that is, to the extent possible, based on commonly used formats that allow the user to understand and utilize the data; and,</li> <li>(e) made generally available at no or reasonable cost to the user.</li> </ul> <p>6. To the extent that a Party chooses to make government data digitally available for public access and use, it shall endeavour to avoid imposing conditions that unduly prevent or restrict the user of such data from:</p> <ul style="list-style-type: none"> <li>a. reproducing, redistributing, or republishing the data;</li> <li>b. regrouping the data; or</li> <li>c. using the data for commercial and non-commercial purposes, including in the process of producing a new product or service.</li> </ul> <p>7. The Parties shall endeavour to cooperate on matters that facilitate and expand public access to and use of government data, including exchanging information and experiences on practices and policies, with a view to encouraging the development of electronic commerce and</p>		

Suggested Draft Article	Source	Business Justification
creating business opportunities, particularly for <u>micro, small and medium enterprises</u> .		
<b>Chapter 12: Development</b> <i>Source: WTO JSI</i>		
<ol style="list-style-type: none"> <li>1. The Parties recognise: <ol style="list-style-type: none"> <li>a. the importance of strengthening international efforts to bridge the digital divide and enable an inclusive digital economy; and,</li> <li>b. the contribution of electronic commerce rules to overcoming digital trade-related challenges and promoting the inclusive growth of electronic commerce.</li> </ol> </li> <li>2. The Parties acknowledge their role in supporting developing and least-developed country Parties to effectively participate and tap into growth opportunities in electronic commerce and the digital economy, including by supporting better access to digital ecosystems and infrastructure as well as supporting their people and MSMEs.</li> <li>3. The Parties recognise the importance of technical assistance and capacity building to developing and least-developed country Parties in implementing this Agreement.</li> <li>4. Assistance and support for capacity building should be provided to help developing and least-developed country Parties implement the provisions of this Agreement, in accordance with the nature and scope of such provisions.</li> </ol>	WTO-JSI amended for ASEAN	

**Deleted:** MSMEs

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Suggested Draft Article	Source	Business Justification
<p>5. The Parties recognise that developing and least-developed country Parties may require an extended period of time or the acquisition of implementation capacity, through assistance and support for capacity building, to implement certain obligations under this Agreement.</p> <p>6. Each developing and least-developed country Party may, on the date of entry into force of this Agreement for that Party, self-designate any provision of this Agreement for which it requires an implementation period of no more than five years by submitting a list of such provisions to the Secretary General of ASEAN.</p> <p>7. Each developing and least-developed country Party may extend, for up to two additional years, the implementation period for any provisions self-designated pursuant to paragraph 6. Each such Party shall notify the Secretary General of ASEAN of any extension no later than 120 days before the expiry of the initial implementation period, detailing the reasons for the extension and the relevant actions required to complete the implementation thereof.</p> <p>8. Developed country Parties, and developing country Parties in a position to do so, are encouraged to provide developing and least-developed country Parties with support to conduct or update their needs assessment to identify gaps in capacity to implement this Agreement, either bilaterally or through relevant international organisations.</p>		



Suggested Draft Article	Source	Business Justification
<p>9. The results of any needs assessment conducted or updated in accordance with paragraph 8 should inform the self-designation of provisions by a developing or least-developed country Party under paragraph 6 and the extension of any implementation period under paragraph 7.</p> <p>10. The Parties recognise the importance of technical assistance and capacity building for the full implementation of all provisions of this Agreement. To this end, developing country and least-developed country Parties may identify any provision of this Agreement in respect of which they would most benefit from technical assistance and capacity building. Developed country Parties, and developing country Parties in a position to do so, agree to facilitate the provision of assistance and support for capacity building in respect of such provisions, either bilaterally or through appropriate international organizations, on mutually agreed terms and taking into account the specific needs and priorities of developing and least-developed country Parties.</p> <p>11. Parties shall endeavour to apply the following principles for providing assistance and support for capacity building with regard to the implementation of this Agreement:</p> <p>(a) take into account the overall developmental framework of recipient countries and regions and, where relevant and appropriate, ongoing reform and technical assistance and capacity building programmes;</p>		

Suggested Draft Article	Source	Business Justification
<p>(b) include, where relevant and appropriate, activities to address regional and sub-regional challenges and promote regional and sub-regional integration;</p> <p>(c) consider the activities of the private sector, to the extent possible, when developing capacity building programmes or activities; and,</p> <p>(d) promote coordination between and among Parties and other relevant institutions, including regional economic communities, to ensure maximum effectiveness of and results from this assistance. To this end:</p> <p style="padding-left: 20px;">(i) coordination should aim to avoid overlap and duplication in assistance programmes and inconsistencies in reform activities through close coordination of technical assistance and capacity building interventions;</p> <p style="padding-left: 20px;">(ii) relevant global and regional trade-related programmes should be considered as part of this coordination process, including those specifically focused on least-developed country Parties; and,</p> <p style="padding-left: 20px;">(iii) Parties should promote internal coordination between their trade and development officials in the implementation of this Agreement and provision of technical assistance and capacity building.</p> <p>12. Chapter 13 (Dispute Mechanisms) shall not apply to the settlement of disputes against a least-developed country Party concerning any provision of this Agreement for a period of seven years after the date of entry into force of this Agreement for that Party.</p>		

Suggested Draft Article	Source	Business Justification
<p>13. Chapter 13 (Dispute Mechanisms) shall not apply to the settlement of disputes against a developing country Party concerning a provision of this Agreement in respect of which it has self-designated or extended an implementation period under paragraphs 6 or 7, respectively, for the duration of the implementation period applicable to that provision.</p> <p>14. Notwithstanding the grace period referred to in paragraph 12, before a Party requests consultations under Chapter 13 concerning a measure of a least-developed country Party, and at all stages of any dispute settlement procedures thereafter, it shall give particular consideration to the special situation of least-developed country Parties. In this regard, the Parties shall exercise due restraint in raising matters under Chapter 12 involving least developed country Parties.</p> <p>15. The Parties recognise the importance of transparency in the provision of assistance and support for capacity building to facilitate the effective implementation of this Agreement. To this end, the Parties shall endeavour to discuss relevant information on their existing and new technical assistance and capacity building programmes. To enhance this discussion each developed country Party shall submit a description of relevant technical assistance and capacity building programmes. Developing country and least-developed country Parties that have received technical assistance and capacity building are encouraged to share their experiences. The Parties intend to use these submissions to help better understand whether existing</p>		

Suggested Draft Article	Source	Business Justification
<p>programmes are meeting the needs expressed by developing country and least-developed country Parties.</p> <p>16. Developing country Parties declaring themselves in a position to provide assistance and support for capacity building are encouraged to submit the information specified in paragraph 15 to the Secretary General of ASEAN, on the date of entry into force of this Agreement and regularly thereafter.</p> <p>17. The Secretary General of ASEAN shall make available online the information provided under paragraphs 15 and 16, together with information about the relevant activities of international organizations. The Secretary General of ASEAN shall further make available online any notices received under paragraphs 6 and 7 above.</p> <p>18. Developing country and least-developed country Parties intending to avail themselves of relevant assistance and support for capacity building shall submit to the Secretary General of ASEAN information on a contact point or points of the office or offices responsible for coordinating and prioritizing such assistance and support.</p> <p>19. For the purposes of this Article, as appropriate, the Ministers responsible for this Agreement in each Party shall hold at least one dedicated session annually to:</p> <p>(a) monitor technical assistance or capacity building support for the implementation of obligations subject to</p>		

Suggested Draft Article	Source	Business Justification
<p>implementation periods self-designated or extended under paragraphs 6 or 7, respectively;</p> <p>(b) discuss issues regarding the implementation of the provisions of this Agreement;</p> <p>(c) review progress regarding technical assistance or capacity building support for the implementation of this Agreement, including where any developing or least developed country Parties are not receiving adequate assistance and support for capacity building; and,</p> <p>(d) facilitate the sharing of Parties' relevant experiences, challenges, successes, and information.</p>		

Suggested Draft Article	Source	Business Justification
<b>Chapter 13: General and Security Exceptions</b>		
<p><i>Article 13.1: General Exceptions</i></p> <p>For the purposes of this Agreement, Article XX of the <i>General Agreement on Tariffs and Trade 1994</i>, set out in Annex 1A to the WTO Agreement (GATT 1994) and its interpretative notes and Article XIV of the GATS shall apply, <i>mutatis mutandis</i>.</p>	<p>Taken from WTO-JSI</p> <p>See:  <a href="https://www.researchgate.net/publication/324167607_General_and_Security_Exceptions_under_the_GATT_1994_and_the_GATS">https://www.researchgate.net/publication/324167607_General_and_Security_Exceptions_under_the_GATT_1994_and_the_GATS</a> for further information.</p>	
<p><i>Article 13.2: Security Exceptions</i></p> <p>For the purposes of this Agreement, Article XXI of the GATT 1994 and Article XIV bis of the GATS shall apply, <i>mutatis mutandis</i>.</p>	<p>Taken from WTO-JSI</p> <p>See:  <a href="https://www.researchgate.net/publication/324167607_General_and_Security_Exceptions_under_the_GATT_1994_and_the_GATS">https://www.researchgate.net/publication/324167607_General_and_Security_Exceptions_under_the_GATT_1994_and_the_GATS</a> for further information.</p>	
<b>Chapter 14: Dispute Mechanisms</b>		
<p>The ASEAN Protocol on Enhanced Dispute Settlement Mechanism, signed on 29 November 2004 in Vientiane, Lao PDR and amendments thereto, shall apply in relation to any dispute arising from, or any difference between <b>Parties</b> concerning the interpretation or application of this Agreement</p>		

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Suggested Draft Article	Source	Business Justification
<p><b>Chapter 15: Relations with Other Agreements</b></p> <ol style="list-style-type: none"> <li>1. This Agreement shall be implemented in a manner that is consistent with the rights and obligations of the Parties under existing ASEAN-related agreements on digital economy, e-commerce, and data governance.</li> <li>2. In the event of any inconsistency between this Agreement and an ASEAN-related agreement to which all Parties are signatories, the Parties shall engage in consultations to resolve the inconsistency in a mutually satisfactory manner.</li> <li>3. Nothing in this Agreement shall be construed to diminish the commitments or obligations of any Party under other ASEAN-related agreements, including but not limited to frameworks on digital trade, data protection, and cross-border e-commerce.</li> </ol>		<p>New Provision to ensure alignment and consistency with pre-existing intra-ASEAN arrangements.</p>