Working Draft – APEC Internet Economy Roadmap – 15 May 2017, 2000hrs

Purpose: Information
Submitted by: APEC Secretariat

**4th Ad Hoc Steering Group on the Internet Economy Meeting
Ha Noi, Viet Nam
14-15 May 2017**

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TEXT HIGHLIGHTED IN GREEN: Drafting Notes

 [ROADMAP FOR THE DEVELOPMENT OF THE INTERNET AND DIGITAL ECONOMY IN APEC]

RUS/US/CN/SGP: **APEC INTERNET AND DIGITAL ECONOMY ROADMAP**

BRIEF INTRODUCTION / BACKGROUND

In 2014, the APEC Leaders formally recognized the role of the Internet and Digital Economy in promoting innovative development and empowering economic participation. They endorsed the *APEC Initiative of Cooperation to Promote Internet Economy* and instructed Ministers and officials to discuss the Internet Economy further, promote member Economies' cooperation on developing the Internet Internet and Digital Economy, and facilitate technological and policy exchanges to bridge the digital divide. The In 2015, APEC Leaders and Ministers welcomed the establishment of an Ad Hoc Steering Group to guide the discussion on issues arising from the Internet Economy. In this regard, they endorsed the *APEC Initiative of Cooperation to Promote Internet Economy*.

In 2015, APEC Leaders adopted the APEC Accord on Innovative Development, Economic Reform and Growth and welcomed the establishment of the APEC Ad Hoc Steering Group on the Internet Economy to discuss issues arising from the Internet Economy, propose actions, and encourage collaboration across APEC fora.

Observing established guidelines focusing on practical economic cooperation, respecting the diversity of APEC members, the objectives of the Ad Hoc Steering Group are to:

- Discuss issues related to the Internet and Digital Economy and propose cooperative activities on Internet and Digital Economy-related projects and initiatives between APEC fora and sub-fora; and
- In collaboration with relevant APEC fora and subfora, organize the development of a cross-APEC work program for endorsement by Senior Officials and consideration by Minister and Leaders, for coordinating cross-cutting APEC initiatives that promote economic growth through the Internet and Digital Economy; encourage cooperation across APEC fora and subfora, and build an open and cooperative environment. [1]

In 2016, the SOM endorsed the proposal for the AHSGIE Chair to circulate a consultation paper on drafting a Roadmap on APEC Internet Economy.

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[1] The Terms of Reference (TOR) of the Ad Hoc Steering Group on the Internet Economy and Illustrative Scope of Cooperation (2015/SOM3/AHSGIE/002 and 2015/SOM3/AHSGIE/003).

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15 May Drafting Note: APEC Secretariat to review consistency with quoted texts, otherwise the reference should be "Internet and Digital Economy"

US: ~~The APEC Roadmap on the Internet and Digital Economy builds on previous initiatives including the Action Agenda for New Economy in 2000 that articulates a vision to enable all economies to capture the full economic and social benefits of the emerging new economy and the E-APEC Strategy of 2001.~~

The APEC Roadmap on Internet and Digital Economy US: builds on previous initiatives and is intended to [CN: provide a comprehensive and coherent framework by 2025 to] highlight the key areas and actions to facilitate technological and policy exchanges among member economies and to promote innovative, inclusive and sustainable growth, as well as to address the potential for a growing digital divide to otherwise emerge in the APEC region.

15 May Drafting Note: To discuss China's proposal: [CN: provide a comprehensive and coherent framework by 202X to]

US: Given the evolving nature of the Internet and Digital Economy, these areas should not be seen as capturing the full nature of the Internet and Digital Economy. This is an important contribution to further promote the development and growth of the Internet and Digital Economy in APEC.

[RUS: ~~The Roadmap focuses on the following key/ priority areas:~~ Acknowledging and respecting the principles of security and trust in the Internet and Digital Economy, APEC Economies will focus their work on the following Roadmap priority areas.]

15 May Drafting Note: will delete reference to "secure" if this paragraph is accepted)

1. Development of [US/ROK: ~~[secure]~~] [RUS: resilient, reliable and secure] **digital infrastructure**
2. Promotion of Interoperability ~~**interoperable platforms**~~
3. ~~Development and assurance~~Achievement of **universal broadband access**
4. Adoption of **holistic** ~~(whole-of-government)~~ [PNG: ~~harmonised~~] **government policy frameworks for the Internet and Digital Economies**
5. Promote greater alignment of regulatory approaches affecting the Internet and Digital Economy ~~Adoption of **enabling technologies** (includes cloud computing, open data and data analytics, AI, digital ID)~~
6. ~~Adoption of **trust and security** measures~~ Promoting innovation and adoption of enabling technologies

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7. ~~Alignment of data **regulatory regimes**~~Promotion of trust and security in the use of ICTs
8. [^CN: Assurance of] ~~seamless~~ **cross-border data flows [VN: for digital trade and business activities]**
9. Establishment of baseline **Internet and Digital Economy measurements**
10. ~~Development of **awareness programmes** for the Internet and Digital Economies~~Enhancing inclusiveness of Internet and Digital Economy
11. Facilitation of E-commerce and Digital Trade
    ~~10.~~

15 May Drafting Note: To update this section after agreement on the priority areas

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14 May: Comments at Discussion with Chair
MYS/CT
- Build into 4 different categories: (i) Infrastructure; (ii) Platforms; (iii) Government Policy & Regulation/Government-Related Issues; (iv) Capacity Building

CT
- Regulatory regime, not specific to data. Delete "data", include "light touch" approach.
- Bridging digital divide – should not only be infrastructure, include digital literacy. Change "awareness programmes" as a possible
- Competition Policy is missing
- Support for MSMEs is missing
- Private sector engagement should be included

PECC
- SMEWG ; EC – can these groups take care of the new issues identified?

EC Chair:
- Some reference to competition policy could be included in the preamble

Co-Convenor
- Roadmap is broad-level – identify work undertaken by APEC fora and subfora
- List of elements should not be seen as a prescriptive list – rapidly evolving nature of the Internet & Digital Economy
- Precedent in GOS coordinating and monitoring the implementation of ASCR
- Role of TELWG also to be considered

PH
- Application to consumer protection and intellectual property – to be included in the roadmap
- Classification in terms of APEC Prosperity Checklist

RUS
- Agrees with inclusion of competition. Include into "regulatory regimes", together with consumer protection
- Continue as AHSGIE

US

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- Streamlining the text – needs to be high-level
- Does not support extension of AHSGIE
- Use existing fora and subfora to carry forward the work
- "Stakeholders" instead of only industry
- Regular mechanism within APEC with stakeholders would be useful

AUS
- Outline action items
- Specific roles to ECSG coordination and monitoring to keep document alive
- Private sector engagement to be included

CN
- Highlight the significance of what we are doing – benefits of internet and digital economy
- Refer to document submitted by CN Co-Covenor

CHAIR
- 3-years plan with provision for review every two years
- Internet is fast-changing
- Transition period for extension of work

CATEGORIZATION
SGP
- Categories are useful if it clustered into the subfora work to facilitate implementation

AUS
- Support. Categorization useful.

Co-Convenor
- Categorization process after identify the elements

THE ROADMAP

In previous iterations of network industries, we have seen the benefits that accrue through network interconnectivity and open participation, while recognizing the investment required for network buildout.

As we move into an Internet Economy and a Digital Society, where all sectors of economic and social development are increasingly empowered by the underlying digital infrastructure, there needs to be recognition of the broad-based economic growth that is made possible, including, for example, in the financial sector, in the health and education sectors, in the agri- and aqua-culture sectors, and so on. Equally important is recognition of the social development made possible, including through policies and programs of inclusion and universal service access.

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It is because of its very pervasiveness that *holistically* understanding the impact and *coordinating* the benefits deriving from the Internet and Digital Economies has become so important.

Original Text
1. Development of [secure] **digital infrastructure**
The use of the Internet and of Internet Protocol (IP) standards for communications systems throughout the economy create the structural foundations for the Internet and Digital Economy. IP-enabled networks form the foundation of the emerging Internet and Digital Economy; not just for Internet-based companies, but inclusive of *all* sectors of the economy that make use of the Internet or IP-enabled networks.

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1. Development of [US/ROK:[secure] [RUS: resilient, reliable and secure] **digital infrastructure**

   The use of the Internet and of Internet Protocol (IP) standards for communications systems RUS: and other relevant international standards for technological products and services throughout the economy create the structural foundations for the Internet and Digital Economy. IP-enabled networks form the foundation of the emerging Internet and Digital Economy; not just for Internet-based companies, but inclusive of *all* sectors of the economy that make use of the Internet or IP-enabled networks[2], taking into account views from the industry stakeholders, including ICT-infrastructure operators. [US/JPN: All member economies are encouraged to promote an enabling environment for the development of quality digital infrastructure so as to develop Internet and Digital Economy]

14 May: Comments at Discussion with Chair
PE: Provide some examples of what we mean by "secure"
US: "Development of digital infrastructure"

[2 Digital infrastructure contains the structure, including infrastructures, platforms and services, which drives the growth of internet and digital economy. For example, the applications of big data on the online advertising by using cloud computing facilities for the E-Commerce companies.]

CN: [All member economies are encouraged to establish digital infrastructure so as to develop internet and digital economy.]

[RUS: A collection of networks, end user equipment, information, and human resources which can be used to access valuable information, communicate with each other, work, learn, receive entertainment from it.]

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SGP: Use different terminology "digital infrastructure"
ROK: Use of "resilient, reliable and secure" (ref Russian comments) – please provide clarifications.
PECC: Use of the phrase "secure" will raise a number of concerns from the implementation perspective – who will provide that security?
Chair: We can include in the explanatory paragraph alternative language: "redundancy", "integrity"
CT: add "legal concept" in this document?; expand the content of the paragraph
Chair: Some terminology accepted by the Industry – can be included. Stick to terminology that people are familiar with

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Original Text
2. Promotion of **interoperable platforms**
As society progresses towards the Internet and Digital Economy two developments are necessary: the *interconnection* of networks, bringing greater economies of scale, and the *interoperability* of platforms that rely upon the networks to support various applications, bringing economies of scope.

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2. [CN: Endeavour to promote and encourage] Promotion of [RUS/CN: Interoperability] **interoperable [US: platforms policies]**
As society progresses towards the Internet and Digital Economy two developments are necessary: the *interconnection* of networks, bringing greater economies of scale, and the *interoperability* of platforms that rely upon the networks to support various applications, bringing economies of scope. RUS: We also recognize the vital importance of the principle of multilingualism in the Internet and Digital Economy and underscore the need for further development of local content and services in a variety of languages and formats.[RUS1]

1. **14 May DRAFTING NOTE:** Clarifying Text required from PECC

   PECC: **Promotion of Interoperability**
   US: Policy frameworks have largely focused at the network layer to date and on promoting interconnectivity. However, in an Internet and Digital Economy it is not only the networks that need to be able to interoperate to facilitate economies of scale and scope, it is the platforms and applications that sit on top of the networks and move across them. If these cannot 'talk' to each other we immediately limit the prospects for growth. RUS: As we move into an Internet and Digital Economy, where all sectors of economic and social development are increasingly enabled by the underlying digital infrastructure, interoperability has become [RUS: one of the key elements] a fundamental requirement] [CoConvenor: a key element] a fundamental requirement.]

RUS: We acknowledge the key importance of interoperability as we move into an Internet and Digital Economy, where all sectors of economic and social development are increasingly enabled by the underlying digital infrastructure US: Digital technologies have the potential to provide local individuals and businesses with access to greater economies of scale and scope, through an open interconnected Internet and choice and competition among Internet-based platform and applications. We also recognize RUS/US/ROK: the high importance of the use and promotion of the multilingualism in the Internet and Digital Economy. principle of multilingualism in the Internet and Digital Economy and underscore the need to support for further development of local content and services in a variety of languages and formats.

Original Text
3. Development and assurance of **universal broadband access**
In 2000, we set the goal to triple the number of people within the region with individual and community-based access by 2005. Today, broadband access has become the fundamental building block for the digital economy, and this means ubiquitous, universal, access. It also means that quality of access is as important as access itself. This means ensuring basic levels of speed, quality and affordability.

2.3. Achievement of universal broadband access

In 2000, we set the goal to triple the number of people within the region with individual and community-based access by 2005. ROK: Furthermore, the TEL ministers set the ambitious goal of access to next generation high speed broadband by 2020 in 2010. Today, broadband access has become the fundamental building block for the digital economy PNG: development, and this means ubiquitous, universal, access. It also means that quality of access is as important as access itself. This means ensuring [PNG: increased] basic levels of speed, PNG: availability, quality and affordability. PNG: Broadband access should be able to integrate economy and society through services to foster social and economic growth.

14 May: Drafting Comments
US/ROK/RUS: prefer "broadband access"
RUS: prefer "Development and assurance of"; add accessibility and affordability; useful to make reference to previous documents; make reference to latest declaration – Okinawa Goals in 2010, for example
PECC to add clarifying text
PNG: Some data could be added

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14 May: Comments at Discussion with Chair
US: "Support universal broadband access"
PECC: The intent is to capture other elements to include holistic perspective so that it's no longer a telecommunications issues only. Affordability is an important issue.
RUS: May not be relevant if we have inclusion

Original Text
4. Adoption of **holistic government policy frameworks** for the Internet and Digital Economies
The benefits of the Internet and Digital Economy can only be properly captured and maximized if the approach is *coordinated* from the top so that it cuts across and enables all sectors, including with agencies that are not traditionally seen as 'tech' agencies such as agriculture and fisheries, manufacturing, manpower, and so on. To be successful there needs to be models of implementation and best practices for successful government approaches, and this is something that APEC can lead on, and work with third parties on.

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4. Adoption of **holistic** [PNG: harmonised] **government policy frameworks** for the Internet and Digital Economies PNG to get back before 8PM, 15 May

3.

~~[RUS: Adoption of holistic government policy framework and alignment of regulatory regimes for the Internet and Digital Economy]~~

~~The benefits of the Internet and Digital Economy can only be properly captured and maximized if [US: the approach is coordinated by all RUS/VN:[public and private] stakeholders so that it cuts across and enables all sectors to participate in the development of policy.~~

Given the cross-cutting nature of the Internet and Digital Economy, government policy frameworks should be developed holistically ~~the approach is *coordinated* from the top so that it cuts across and enables all sectors,~~] including with agencies that are not traditionally seen as 'tech' agencies such as agriculture and fisheries, manufacturing, ROK/CT: competition,] manpower, and so on. In order to capture and maximize the benefits of the Internet and Digital Economy, APEC economies are encouraged to coordinate with and involve public and private stakeholders so that it cuts across all sectors to participate in policy development.

[RUS: The same approach is required to mitigate risks and address global challenges.] ~~US:To be successful there needs to be models of implementation and best practices for successful government approaches, and this is something that APEC can lead on, and work with third parties on~~.

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RUS: Merge #4 and #7

15 May Drafting Note
ROK/CT: Will work on Competition text when clean draft is circulated.

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14 May: Comments at Discussion with Chair
CT: include reference to MSMEs
PECC: should be included in chapeau

4.5. Alignment of [data] **regulatory regimes [**RUS: **in the field of Internet and Digital Economy]**
A core problem facing both large enterprises and SMEs who [RUS: need to transfer data across borders is are engaged in cross-border transactions is] how to ensure compliance with an alphabet soup of general and sector-specific laws and regulations, as well as codes of practice, legal judgments and legal and procedural uncertainties that differ in their details across many jurisdictions. For the effectiveness of data protection and of data processing to be scalable, cooperation, a level of alignment of terminologies and common practice across jurisdictions on Internet and Digital Economy development is needed.
RUS: RUS: Member economies should promote alignment of regional regulatory regimes in different areas to facilitate the development of the Digital and Internet Economy.
14 May DRAFTING NOTE: Former #7
Co-Convenor will draft new text for meeting's consideration.

US Co-Convenor/CN: **Promote greater alignment of regulatory approaches affecting the Internet and Digital Economy**
A core problem facing both large enterprises and MSMEs is how to address legal and procedural uncertainties and to ensure compliance with an alphabet soup of general and sector-specific laws and regulations, as well as codes of practice and legal judgments that differ in their details across many jurisdictions. To accelerate the growth of the Internet and Digital Economy, member economies should promote greater alignment of regulatory approaches, including to international standards.

Comments at Discussion with Chair
CN:
Combine #7 & #8
"enabling regulatory regimes"; not harmonization or alignment of regimes
Categorize the #6, #7, #8 into regulatory issues
PECC:
"Alignment of regulatory regimes for Internet and Digital Economy" – high bar to aim for; more practical when they can talk to another

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Co-Convenor
Agree with PECC. #7 is more than data. Data flows require separate bullet.
RUS:
Add IPRs
Combine
US:
"Consumer protection regimes" (ref TPD)
PE:
Recognition to CBPR and PRP in this paragraph
CHAIR:
Some alignments present in current context: e.g. EE MRA
CT:
Not ideal merging both. Suggest to delete "data"; include CBPR and PRP into #8
Digital economy is borderless – businesses will need some form of harmonization

Original Text
5. Adoption of **enabling technologies** (includes cloud computing, open data and data analytics, AI, digital ID)
For many of the challenges being faced such as exponentially increasing amounts of data requiring storage and processing, escalating cyber threats, the push to reduce budgets and improve efficiencies, and citizen demands for better services, new digital technologies, such as cloud computing, and data services provide governments with the most flexible and efficient solutions for empowering future development.

5.6. Promoting innovation and adoption of enabling technologies

~~RUS: Transformation of traditional business, including service industry and digital trade~~

[RUS: The development of the digital infrastructure and Industry 4.0 opens new opportunities and brings new challenges for regulators and business, transforming traditional approaches to regulatory and business cooperation in APEC. Due to the changing circumstances, public and private sectors should cooperate on the business transformation, paying particular attention to service industry and digital trade.

6.

[RUS: ~~For many of the challenges being faced such as~~ RUS: ~~exponentially increasing amounts of data requiring storage and processing,~~ escalating RUS: [cyber] threats RUS: and risks in the use of ICT,³ ~~the push to reduce budgets and improve efficiencies, and citizen demands for better services,~~ ~~new~~ New digital technologies, such as cloud computing, and data services can provide governments with the RUS: ~~most~~ flexible and efficient solutions for empowering future development, mitigating risks and addressing global challenges.]

[³ This includes cyber threats.]

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DRAFTING NOTES: Should be included in the paragraph instead of the title [RUS: (which may include cloud computing, Internet of Things, Big Data, open data and data analytics, digital ID, AI, quantum technologies, data services and other)

15 May Drafting Note:
ROK: Content of paragraph does not match the title.
RUS: (which may include cloud computing, Internet of Things, Big Data, open data and data analytics, digital ID, AI, quantum technologies, data services and other)
RUSSIA will provide draft intersessionally, May 29, COB Singapore.

14 May: Comments at Discussion with Chair
PPSTI:
include "and not limited to" in first line
US:
Delete parenthesis listing out technologies, put a footnote in general language
MYS:
Agree with US, instead of being overly prescriptive
RUS:
Include the amendments submitted previously. Not detailing all technologies.
PECC:
This point was changed from "cloud-first" to "enabling technology".
Context: Transformational issue – addressing enabling environment

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Original Text
6. Adoption of **trust and security** measures
Whilst connectivity is key to the success of digital services, security is also a central consideration. As the number of digital services has grown and the level of risk individuals are exposed to has increased, governments and businesses recognize the need for more secure and convenient ways of creating, managing and applying digital services. Governments have never before had the ability to make services accessible to so many citizens on an immediate, as-needed-when-needed basis. But with these opportunities come the need to make information security more resilient, refined and efficient. To meet these objectives, governments need to carefully consider how to operate their ICT environments to take advantage of the benefits of modern digital systems while keeping important data safe.

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7.   Adoption of **trust and security** measures

7.   US: Promoting security in the use of ICT
Whilst connectivity is key to the success of the Internet and Digital Economydigital services, the free flow of information and protection of

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~~information privacy are central considerations. security is also a central consideration. As~~ ~~digital services continues to grow and the risks increase, governments and businesses recognise~~ ~~the number of digital services has grown and the level of risk individuals are exposed to has increased, governments and businesses recognize~~ the need for ~~more secure and~~ convenient ways of creating, managing and applying digital services. ~~The digital economy has enabled businesses to expand businesses to expand outside the border, enhancing business competitiveness, enhancing MSMEs participation globally, and promoting the cross border flow of information.~~ ~~Governments have never before had the ability to make services accessible to so many citizens on an immediate, as needed when needed basis.~~ ~~But with these opportunities come the need to make information security more resilient, refined and efficient. To meet these objectives, governments need to carefully consider how to operate their ICT environments to take advantage of the benefits of modern digital systems while keeping important data safe. As the digital economy continues to expand, effective privacy protections must be developed and supported to ensure trade and economic growth.~~

~~**DRAFTING NOTES:**~~
~~RUS: to use current text as is. The current amendments could be incorporated in a bullet point regarding data flows.~~
~~PECC: point being emphasised here is TRUST, not security. Facilitate the development of a trusted environment. Security is TELWG is handled by TEL. Support US.~~
~~Co-Convenor: CHINA, US, RUSSIA to work together for draft text. To also deal with bullet on cross-border data flows.~~

^{US/RUS/ROK/CN/JPN:} Promotion of ~~Adoption of~~ **trust and security** in the use of ICTs Whilst connectivity is key to the success of digital services, ^{PH/HKC:} privacy and security is ^{PH/HKC:} ~~is~~ are also a central consideration for building trust ^{PH/HKC:} and confidence in the Internet and Digital economy. As the number of digital services has grown and the level of risk individuals ^{Chair:}~~individuals~~ users and providers are exposed to has increased, ~~governments and businesses~~ APEC economies ~~APEC economies~~ recognize the need for accessible, open, interoperable, reliable and secure ICT environment as an essential foundation for economic growth and prosperity. ~~More secure and convenient ways of creating, managing and applying digital services. Governments have never before had the ability to make services accessible to so many citizens on an immediate, as needed when needed basis. But with these opportunities come the need to make information security more resilient, refined and efficient.~~ To meet these objectives, public and private sectors need to take advantage of the benefits of modern digital systems while keeping data safe.
~~To meet these objectives, governments need to~~

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~~keepCarefully consider how to operate their ICT environments to take advantage of the benefits of modern digital systems while keeping important data safe~~.

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14 May: Comments at Discussion with Chair

RUS: Mention trust and security in the chapeau since important cross-cutting issue – make sure that the action lines do not make references to "secure"; need points on "Security measures and services".
PECC: This is important line-item identified which needs to be focused on.
US: Language could be tweaked in line with what Chair suggested earlier, "integrity", "redundancy"; "Promotion of security and trust in the digital economy" – consideration of what needs to be in the chapeau and what's in the line-items
CN: cross-cutting issues can be included in chapeau; line-items are actionable

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~~8.~~ ~~Alignment of data~~ **regulatory regimes**
~~A core problem facing both large enterprises and SMEs who need to transfer data across borders is how to ensure compliance with an alphabet soup of general and sector-specific laws and regulations, as well as codes of practice, legal judgments and legal and procedural uncertainties that differ in their details across many jurisdictions. For the effectiveness of data protection and of data processing to be scalable, a level of alignment of terminologies and common practice across jurisdictions is needed.~~
~~While regional regulatory harmonization would be ideal, enabling clarity and certainty, in many cases requiring 'harmonized' laws and regulations would be too time-consuming, if not infeasible. To accelerate seamless cross-border data flows APEC economies should promote alignment of regional regulatory regimes in data-specific areas. These include data protection and privacy, payments/ transactions, consumer protection and other services-based sectors.~~

Original Text
8. Assurance of seamless **cross-border data flows**
The globalization of the Internet and the ability to move data across borders underpins an increasing amount of economic activity and international trade. Without administrative or regulatory constraints any business can immediately reach overseas customers and sell products online. The Internet is also having an important impact on how businesses *operate* as it creates a more broad-based economy. For instance, businesses can use the Internet to participate in global supply chains, manage customers, and track production. This creates the conditions enabling growth in international trade, particularly for SMEs.

8. Assurance of seamless **cross-border data flows** VN: **for digital trade and business activities**

9.

The globalization of the Internet and the ability to move data across borders underpins an increasing amount of economic activity and international trade. VN: Minimising administrative and regulatory and any technical measure with effects to the cross-border trade. Without administrative or regulatory constraints any business can immediately reach overseas customers and sell products online. The Internet is also having an important impact on how businesses *operate* as it creates a more broad-based economy. For instance, businesses can use the Internet to participate in global supply chains, manage customers, and track production. This creates the conditions enabling growth in international trade, particularly for SMEs.

[RUS: While regional regulatory harmonization would be ideal, enabling clarity and certainty, in many cases requiring 'harmonized' laws and regulations would be too time-consuming, if not infeasible. To accelerate seamless cross-border data flows APEC economies should promote alignment of regional regulatory regimes in data-specific areas. These include data protection and privacy, payments/ transactions, consumer protection and other services-based sectors.]

CN:
"seamless" – please clarify
Either delete "seamless" or add "legitimate"
Replace "assurance" with 'promote'
US:
Delete "seamless" (ref Russian proposal)
Co-Convenor:
Minimizing restrictions in data flows.
RUS:
Please consider Russian text

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9.   CN: [Assurance of] ~~seamless~~ **cross-border data flows** VN: **[for digital trade and business activities]**

US/RUS/ROK/JPN: In today's information-driven economy, it is essential to have frameworks for privacy and personal data protection, as they are crucial to strengthening confidence and trust in the digital economy while preserving the global nature of the Internet. The changes in technology and the flow of information has impacted how businesses operate and provide cost-effective services globally. Creating interoperable systems may contribute to innovation and entrepreneurial growth. CN: [Economies should promote both effective information privacy protection and the free flow of information, while respecting domestic laws and regulations, applicable international frameworks for information privacy protection in the Asia Pacific region, as stated in APEC Privacy Framework.]

15 May DRAFTING NOTE
China: ref last sentence. To quote the last sentence in the preamble of the APEC Privacy Framework

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Original Text:
9. Establishment of baseline **Internet and Digital Economy measurements**
Data is the currency of the Internet and Digital Economy. For effective policy making across the various domains, data needs to be consistent, and regularly updated, and needs to support policy and decision making in planning and developing digital services access and delivery. Policy makers and statisticians urgently need to come together to define a better evidence base upon which better public awareness can be built, and more fully informed decisions can be made so as to effectively (i) prioritize and allocate resources at the national level, and (ii) coordinate frameworks at the regional level.
Recognizing the great diversity across APEC member economies, including in public policy capacity, three steps are needed to begin to address this gap:
(i) Consistent and comparable definitions for existing ICT and Internet Economy datasets
(ii) An Internet Economy framework for applying this data
(iii) Coordinated development of new Internet Economy datasets to better capture the impact upon economic development.

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10.   ~~RUS: Development of common list of terms and classifications related to Internet and Digital Economy and~~ Establishment of baseline **~~Internet and Digital Economy measurements~~**

~~RUS: Different descriptions and interpretations of the terms may lead to the wrong understanding of future initiatives and programs which in turn will slow down the process of APEC work in this field. In this regard APEC economies~~

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~~should develop a common glossary for the Internet and Digital Economy related issues, including classifications.~~

~~10.~~

~~Data is the currency of the Internet and Digital Economy. For effective policy making across the various domains, data needs to be consistent, and regularly updated, and needs to support policy and decision making in planning and developing digital services access and delivery.~~

~~Policy makers and statisticians urgently need to come together to define a better evidence base upon which better public awareness can be built, and more fully informed decisions can be made so as to effectively (i) prioritize and allocate resources at the economy level, and (ii) coordinate frameworks at the regional level.~~

~~RUS: Data is one of the key elements the currency of the Internet and Digital Economy. CN: [KY2][For effective policy making across the various domains, data public indicators related to the development of the Internet and Digital Economy needs to be consistent US: and accessible, and regularly updated, and need to support policy and decision making in planning and developing digital services access and delivery.]~~

~~**DRAFTING NOTES:**~~
~~**(1)** China to re-work highlighted text~~
~~**(2)** US to provide text ref work done by other fora~~

~~Recognizing the great diversity across APEC member economies, including in public policy capacity, three steps are needed to begin to address this gap:~~
  ~~i. Consistent and comparable definitions RUS: and indicators of the Internet and Digital Economy development for existing ICT, and Internet and Digital Economy datasets~~
  ~~ii. An Internet RUS: and Digital Economy framework for applying this data~~
  ~~iii. *Coordinated* development of new Internet RUS: and Digital Economy datasets, RUS: which would include definitions and indicators of the Internet and Digital Economy development to better capture the impact upon economic development.~~

CN: 9. Establishment of baseline **Internet and Digital Economy measurements**

It is a challenge for US: APEC member economies to measure and monitor the development of Internet and digital economy simply due to the fast growth speed of the sector. ~~They economies~~ US: ~~urgently]~~ CN: APEC Member Economies ~~urgently~~ MYS: expeditiously need to come together [CN: with relevant stakeholders] to define a better evidence base upon which better public awareness can be built, and more fully informed decisions can be made. ROK/RUS: Different descriptions and interpretations of the terms may lead to the wrong understanding of future initiatives and programs which in turn may slow down the process of APEC work in this field. US: ~~In this regard,~~ Taking into account ongoing work in other fora, APEC economies are encouraged to

TEXT HIGHLIGHTED IN YELLOW: Unresolved issues in square brackets
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develop a descriptive glossary for the selected terms for the Internet and Digital Economy measurement. ^RUS/US: These actions could be taken ^ROK: so as to effectively prioritize and allocate resources at the economy level, and coordinate frameworks at the regional level.

^US:[Recognizing the great diversity across APEC member economies, including in public policy capacity, three steps ^PH: elements are needed to begin to address this gap:

i.   Consistent and comparable definitions and indicators of the Internet and Digital Economy development for existing ICT, Internet and Digital Economy datasets
ii.   An Internet and Digital Economy framework for applying this data
iii.   *Coordinated* development of new Internet and Digital Economy datasets, ^RUS: which would include definitions and indicators of the Internet and Digital Economy measurement to better capture the impact upon economic development.]
        ^CN: [Recognizing the great diversity across APEC member economies, including in public policy capacity, three steps ^PH: elements are needed to begin to address this gap:

        i.   Consistent and comparable definitions and indicators of the Internet and Digital Economy development for existing ICT, Internet and Digital Economy datasets
        ii.   An Internet and Digital Economy framework for applying this data
        iii.   *Coordinated* development of new Internet and Digital Economy datasets, ^RUS: which would include definitions and indicators of the Internet and Digital Economy measurement to better capture the impact upon economic development.]

14 May: Comments at Discussion with Chair
RUS: to list of terms and classification (glossary) here.

Original Text
10. Development of **awareness programmes** for the Internet and Digital Economies
An Internet Economy is essentially a knowledge-based economy that comes with specific skillsets, and these are skills that many economies do not yet have enough of. A key objective therefore is in developing the human capacity necessary for the transition, and building a digital environment that is safe and trusted.

11.   Development of **awareness programmes** for the Internet and Digital Economies
    ^[ROK: Promotion of Inclusiveness in the Internet and Digital Economy ^RUS: to bridge the digital divide in APEC]
11.

    An~~The~~ Internet and Digital Economy is essentially a knowledge-based economy that comes with specific skillsets, and these are skills that many economies do not yet have enough of. A key objective therefore is in developing the human

capacity necessary for the transition, and building a digital environment that is safe and trusted. [RUS: This should include the use of e-education technologies and means.]

DRAFTING NOTES:
- Bridge the digital divide
- Inclusion of SMEs and MSMEs, vulnerable and disadvantaged groups
- Universal Broadband Access
- Awareness Programme
- Capacity Building
- Digital Literacy

CN: 11. Enhancing inclusiveness of Internet and Digital Economy

RUS: The tenth UN Sustainable Development Goal states the need for reducing inequality within and among economies. The Internet and Digital Economy can and should contribute to better inclusiveness CoConvenor;/ROK/RUS to ensure that no one is left behind, including both in terms of social and geographic perspective. to ensure that no one is left behind, regardless of their gender, age, disability, economic status or region. In this regard, APEC economies should prioritize policy measures and technical means to bridge the digital divides between and within economies, regions and groups, SGP: in addition to promoting universal broadband access. Efforts should be intensified in development of awareness and digital literacy programmes, capacity building, and US: promotion of digital skills to US: forge build eligible workforce US: capacity in the digital age. Policies should be promoted to support ROK: and globalize [RUS: SMEs,] MSMEs and individual entrepreneurs to RUS: and individual entrepreneurs to use of ICT technologies to enhance productivity, PH: nurture innovation improve competitiveness, and US: cultivate access new markets, CN./RUS: including by PH:[fostering an enabling environment] [US: digital inclusion] through [CT: internet finance] and other means. RUS: [Foster an enabling environment for to, through internet finance and other means. Encourage and enable vulnerable and disadvantaged groups including women, youth, persons with disabilities to leverage Internet and Digital Economy to improve their lives and unleash their potential, .[PH: Co-Convenor/ROK: APEC Member Economies are encouraged to [RUS: To provide better inclusion of RUS/ROK: socially deprived and vulnerable disadvantaged groups to leverage Internet and Digital Economy to improve their living standards and unleash their potential through effective use of ICTs ROK/RUS: , which will ultimately contribute in inclusive human resource development in the APEC region. Better social inclusion will contribute into human resources development in the APEC region.]

14 May: Comments at Discussion with Chair
US:
"Expanding Digital literacy" as alternative for "awareness programmes"
CN:
Awareness programme and capacity building
The promotion of inclusive participation of SMEs and People with Disabilities

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To bridge
RUS:
ref our comments "Better social inclusion and human resources development in the Digital and Internet Economy".

NEW AREAS
CHAIR:
Suggest text and send to APEC Sec by 8:30PM (ky15@apec.org); Draft out by 10:30PM
   (1) Digital Trade and E-Commerce can be put into one paragraph

14 May: Comments at Discussion with Chair

CN:Promotion of E-Commerce and Innovative Application of Digital Technologies
Bridging the digital divide
CT:
Innovative Business Models / Infrastructure Services
Competition Policy
RUS:
Digital Trade – can be addressed in the roadmap as a line-item
Can include broadband access here
CHAIR:
Bridging digital divide – could be in chapeau text
Cross=cutting issues identified: Security; SMEs. MSMEs; trade rules, intellectual property, consumer protection
TH:
Can support Russia on digital trade (ref Russian proposal: transformation)
PECC:
Consider consumer protection as a separate line-item
Consider intellectual property
Consider payments and transactions / financial aspects
PPSTI
FinTech
SGP:
Stronger focus on facilitating e commerce

Trade rules for internet and digital economy
VN:
APEC Framework on E-Commerce Facilitation for 2017
Support China's proposal

SGP: **Facilitation of E-commerce and Digital Trade** CN: ~~through relevant trade policies and rules~~

TEXT HIGHLIGHTED IN YELLOW: Unresolved issues in square brackets
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E-commerce and digital trade are ^{RUS:} ~~perhaps~~ among of the fastest growing segments of global trade ^{RUS:} and have the potential to provide an extraordinary stimulus to the growth and trade of the Asia Pacific region as goods and services are increasingly transacted digitally. ^{RUS:} ~~However the current~~ APEC economies ^{ROK:} ~~shall~~ are encouraged to elaborate and promote ^{CN:} [measures and policies] ^{CN:} ~~trade rules and policie~~[^{RUS:} ~~are often inadequate~~ ~~to address the barriers to~~ aimed at effective development of ^{CN:} digital trade and e-commerce through greater public-private dialogue. ^{ROK/CT:} APEC economies can identify ^{RUS/ROK:} building blocks ^{RUS:} ~~to facilitate ecommerce and digital trade barriers and difficulties in ecommerce and digital trade, in particular those for MSMEs~~ ~~can share best practices, review and develop policies~~ ^{RUS:} and create a favourable digital ecosystem to facilitate e-commerce and digital trade including in areas such as paperless trading (eg. e-certifications, e-payments, e-signatures); expediting low volume, low value products; online consumer protection. ~~12.~~

^{RUS:} ~~Better social inclusion and human resources development in the Digital and Internet Economy~~

~~The tenth UN Sustainable Development Goal states the need for reducing inequality within and among countries[RUS3]. The Digital and Internet Economy can and should contribute into better social inclusion for the benefit of the inclusive and sustainable economic growth of the APEC region and better people-to-people connectivity, which brings equal rights and benefits to all people in APEC. Existing digital divide and economic inequality create the challenges for the better economic development and limit opportunities for socially deprived and vulnerable people. APEC should continue finding the ways of the improvement of their living standards through effective use of ICTs. Better social inclusion will contribute into human resources development in the APEC region.~~

^{CT:} ~~**Fostering competition in the internet and digital economy**~~

~~In response to the development of digital economy and the development trend of international competition regime,~~ ^{ROK:} ~~[we are to constantly review our competition policies]~~ ~~to address competition issues associated with new and emerging business models to maintain a fair market, to support technological innovation, and to pursue economic growth.~~

~~**15 May DRAFTING NOTE**~~
~~ROK: can be included in holistic framework instead~~
~~ROK to develop alternative text for inclusion into holistic framework section~~
~~US: will need to review text~~

~~1.~~

ROADMAP IMPLEMENTATION
-   Specific APEC-wide activity to support the key focus/principles and specific actions

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- Monitoring Elements ^{RUS:} within the APEC fora, related to the Internet and Digital Economy development in APEC, which include but are not limited to Telecommunication and Information Working Group (TELWG), Electronic Commerce Steering Group (ECSG), Policy Partnership on Science, Technology and Innovation (PPSTI), Human Resources Development Working Group (HRDWG), Sub-Committee on Customs Procedures (SCCP), Small and Medium Enterprises Working Group (SMEWG), Policy Partnership on Women and the Economy (PPWE), Group on Services (GOS), and Group of Friends on Disability Issues (GOFD), Committee of Trade and Investment (CTI), Economic Committee (EC) and APEC Senior Officials' Meeting Steering Committee on Economic and Technical Cooperation (SCE). [RUS4]

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^{US Co-Convenor:} **ROADMAP IMPLEMENTATION**[4]

Specific APEC-wide activity to support the key ~~focus/principles~~ priority areas and specific actions

- The key/priority areas provide APEC with a guideway towards future work, but also a reference point to review past initiatives that contribute to the growth of the internet and digital economy and to assist coordinating the broad range of activities related to the internet and digital economy.
- The Roadmap Annex includes a summary of past, current, and planned future activities in support of the 10 key/priority areas identified in the Roadmap. The Annex should be seen as a living document and updated on an annual basis.
- Relevant Committees, fora, and subfora are encouraged to consider the key/priority areas as they undertake activities to support the growth of the internet and digital economy.
- In addition, APEC should consider a mechanism to coordinate and advance initiatives related to the internet and digital economy, while keeping in mind APEC's goal of streamlining its organizational structure. ~~The E-Commerce Steering Group (ECSG) could play this role. Given its current efforts to develop a Strategic Plan that will broaden its e-commerce initiatives, the ECSG is well placed to coordinate the implementation of the Roadmap.~~
- The internet and digital economy includes a wide range of work within APEC, with related activities in various APEC Committees, fora, and subfora. The APEC groups with relevant activities should include in their normal reporting process a section that identifies initiatives that relate to the internet and digital economy.
- Recognizing the evolving nature of the internet and digital economy, Initiatives are not limited to the focus/priority areas identified in the Roadmap.

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[4] Any future activities or topics suggested in the Roadmap Implementation section are based on collective inputs from APEC economies and do not necessarily represent the future policy positions of individual APEC economies.

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Monitoring Elements

- Relevant Committees, fora, and subfora are encouraged to include in their meeting reports to Senior Officials a section that summarizes current activities that support the ~~10~~ key/ focus areas identified in the Roadmap.

15 May DRAFTING NOTE

ROK: To mention roadmap is living document at the preamble.

RUS/CN: To include review mechanism, specify time lines

INCLUDE THE OPTIONS CN: Role of AHSGIE not resolved. Proposal: List out scenario and options – AHSGIE or another subfora to monitor implementation and review. For this Roadmap, will be useful to include somebody to help interpret and analyse where we are and identify gaps. To include timelines for review.

US: APEC is bottom-up; leave it to the WGs to do the work

Chair: Listing and presenting options and decide at next meeting; implementation

RUS: Agree that monitoring needs to developed at the next stage.

Co-Convenor (CN): Some SOMs at SOM1 mentioned the possibility of setting up a new mechanism, e.g. FoTC. (Read the SOM Report)