

FACTSHEET ON FRAMEWORKS ON COOPERATION IN DIGITAL ECONOMY AND GREEN ECONOMY BETWEEN SINGAPORE AND MALAYSIA

- On 30 January 2023, Minister for Trade and Industry Gan Kim Yong and Malaysia's Minister of International Trade and Industry, Yang Berhormat Senator Tengku Datuk Seri Utama Zafrul bin Tengku Abdul Aziz, signed two Frameworks on Cooperation (FoC) in Digital Economy and Green Economy.
- The signing took place at the Istana, in the presence of Prime Minister Lee Hsien Loong and Malaysia's Prime Minister Dato' Seri Anwar Ibrahim.
- The two FoCs were substantively concluded in August 2022, and will lay the foundation for future bilateral initiatives related to the digital and green economies.

Digital Economy Cooperation

- The FoC in digital economy will facilitate greater inter-operability and collaboration on digital economy issues and enhance cooperation with Malaysia beyond what is found in the E-Commerce Chapters of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP).
- This will help unlock new growth opportunities, benefiting both countries' businesses, workers, and communities.
- Collaboration under the FoC could also potentially serve as a pathfinder for digital economy cooperation within ASEAN.
- The areas are:
 - **Trade Facilitation:** To accelerate the digitalisation of the entire process of trade, which will allow businesses to transact online and across borders with greater ease. For example, facilitating the exchange of data related to trade administration documents (e.g. sanitary and phytosanitary certificates) as well as exploring collaboration related to the cross-border usage of electronic transferable records (e.g. electronic bills of lading).
 - **Cross-border Data Flows:** To support cross-border data flows, including through the use of interoperable mechanisms for the protection of personal data, such as the APEC/Global Cross-Border

Privacy Rules system and ASEAN Model Contractual Clauses (“MCCs”).

- **Electronic Payments:** To deepen collaboration on the development of efficient, safe and secure cross-border E-payments systems, towards realising an ASEAN network of linked real-time payment systems.
 - **Digital Identities:** To promote exchanges and knowledge-sharing to facilitate the interoperability and development of our respective digital identity regimes, for both individuals and businesses. This includes efforts to support the development of the ASEAN Unique Business Identification Number (“UBIN”).
 - **Business/ Consumer Trust:** To explore collaboration in new and emerging areas to build trust in our digital systems. For example, on cybersecurity and tackling spam.
 - **Standards:** To encourage business adoption of interoperable standards/frameworks related to the digital economy, such as on e-invoicing.
 - **Investment Promotion and Facilitation in Digitalisation:** To collaborate in mutually beneficial programmes that facilitate investments in digitalisation, including in partnership with private sector stakeholders.
 - **MSMEs Digitalisation:** To facilitate initiatives that support the digitalisation of our MSMEs and industries, so as to enhance their competitiveness and maintain dynamism in our economies. For example, by promoting the use of digital tools and technology to improve businesses’ online market reach.
 - **Regulatory and Governance Framework:** To foster deeper conversations and alignment on new and emerging technologies, such as on A.I. governance.
- Preliminary discussions are also underway on possible projects that both sides can explore. This includes **(a)** a possible bilateral pilot on corporate digital identities, as a proof-of-concept for the ASEAN Unique Business Identification Number Network (UBIN) system; **(b)** knowledge-sharing on the development of Singapore’s national digital identity regime, as a foundational step to eventual cross-border bilateral and regional mutual recognition; **(c)** and collaboration to support the digitalisation of our MSMEs.

Green Economy Cooperation

- Singapore and Malaysia also seek to strengthen collaboration to decarbonise our industries and enable businesses and workers to seize opportunities in the green economy.
- Under the FoC on green economy, both countries agreed to cooperate in the areas of:
 - **Next generation mobility:** To explore collaboration on EV and AV standards and the adoption of technical references, as well as on EV charging standards and the deployment of EV charging points.
 - **Environmental, social and governance; Capacity development programme for exporters:** To facilitate knowledge sharing and business networking for enterprises from both countries to learn about sustainable business practices and explore collaboration.
 - **Low-carbon solutions (such as hydrogen and carbon capture, utilisation and storage):** To exchange information (including on technical and regulatory issues) and explore joint studies and demonstration projects on low-carbon solutions in low-carbon solutions, particularly hydrogen and carbon capture, utilisation and storage.
 - **Carbon credits industry collaboration:** To exchange information on carbon markets and to explore collaboration between Singapore and Malaysia companies in voluntary carbon credits projects.
 - **Development of New and Renewable Energy Related Technology Standards to Support Domestic and Regional Decarbonisation:** To exchange information on the development of new and renewable energy related technology standards which could support regional decarbonisation, including the possibility of developing common policies and standards for new and renewable energy technologies.
- The Green Economy FoC is Malaysia's first green economy agreement signed with any country.

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