

**ANNEX A**

**Fact Sheet on the UKSDEA**

**A. Highlights of Modules within the UKSDEA**

**i. *Advance end-to-end digital trade***

**Electronic payments (E-payments)**

1. To support the development of safe and secure cross border E-payments, Singapore and the UK will promote transparent and facilitative rules, such as by encouraging open Application Programming Interfaces (APIs), adopting internationally accepted standards and promoting interoperability between Epayment systems.

**Paperless Trading**

2. To support digitalisation and the seamless exchange of key commercial documents, Singapore and the UK will accept electronic versions of trade administration documents. Both parties will also seek to facilitate cross-border digitalisation of supply chains, with a focus on promoting interoperability of electronic documents such as bills of lading and invoices. This will enable faster and cheaper transactions, and reduce cost for businesses.

**ii. *Enable trusted data flows***

**Cross-border Data Flows (including for Financial Services)**

3. Data flow is increasingly important to the growth of the global economy, as it supports electronic commerce and other digitally enabled activities such as data analytics and AI. Businesses operating in Singapore and the UK will be allowed to transfer information, including those which are generated or held by financial institutions, more seamlessly across borders with the assurance that they meet the requisite regulations.

**Prohibiting Data Localisation (including for Financial Services)**

4. Data localisation requirements are an unnecessary barrier to trade and may drive up the cost of storing data for all businesses. Singapore and the UK will put in place disciplines against requirements for data localisation and allow businesses to choose where their data is stored.

**Submarine Cables**

5. Submarine cable systems form a critical part of the digital infrastructure that provide cross-border data and voice connectivity between countries and across regions.
6. Under the DEA, Singapore and the UK recognise the importance of (i) submarine cable systems and associated facilities, eg. landing stations; and (ii) the expeditious and efficient installation, maintenance and repair of such systems and facilities. Singapore and the UK will ensure access and minimise risks to these systems and facilities to promote national, regional and global telecommunications connectivity.

#### Open Government Information

7. To encourage innovation in this new data driven age, particularly by Small & Medium Enterprises (SMEs), both countries will ensure that government information that has been made publicly available will be in a machine readable and open format, with easy to use and freely available Application Programming Interfaces (APIs).

#### **iii. Facilitate trust in digital systems and participation in the Digital Economy**

##### Cryptography

8. To ensure that companies using cryptography can trust the market within which they operate, encourage innovation, and ensure that private keys and related technologies used are protected, neither country will require the transfer of, or access to, the above as a condition of market access. This would cover both products as well as services that use cryptography.

##### Source Code Protection

9. To ensure software developers can trust the market within which they operate, encourage innovation, and ensure that source code used by companies are protected, neither country will require the transfer of, or access to, source code as a condition of market access. This includes algorithms expressed in the source code.

##### Online Consumer Protection

10. To enhance consumer welfare, both countries will adopt or maintain laws and regulations that guard against fraudulent, misleading or deceptive conduct that causes harm to consumers engaged in online commercial activities.

##### Small and Medium Enterprises Cooperation

11. SMEs play a special role in enhancing competitiveness and maintaining dynamism in the economy. Singapore and the UK will cooperate in promoting jobs and growth for SMEs, as well as encourage their participation in ecommerce platforms that will help link them with international suppliers, buyers, and other potential business partners.

### Digital Inclusion

12. To ensure that all people and businesses can participate in, contribute to, and benefit from the digital economy, both countries will cooperate to remove barriers for participation in the digital economy, including for women.

## **B. Accompanying MOUs and side-letters**

### Digital Trade Facilitation

1. The Digital Trade Facilitation MOU will unlock opportunities and provide solutions to barriers faced when digitising trade between the UK and Singapore. As like-minded partners in this area, sharing of knowledge and implementation of pilot projects between the UK and Singapore on areas such as electronic trade documents and electronic invoicing will help to drive the development and adoption of digital trade facilitation solutions at a bilateral and international level.
2. The benefits of digitalising trade include reduced costs for businesses driving competitive pricing for consumers, a reduction in the carbon footprint of trade, and improving accessibility by Small and Medium Enterprises to engage in cross-border trade. Sharing of best practices will also influence the creation of secure global supply chains and interoperable digital ecosystems.
3. For example, a pilot scheme to simulate the transfer of electronic bills of lading will lay the foundation for businesses to enjoy a digital ecosystem for cross-border trade transactions. Using electronic bills of lading decreases cost, fraud risk and transaction times, as businesses no longer have to physically manage hardcopy trade documents. The establishment of a pilot project to share information and encourage the adoption of e-invoicing, will enable businesses to transact with their overseas partners seamlessly.

### Digital Identities Cooperation

4. With the growing volume of digital transactions, the ability to reliably verify one's identity has become increasingly important. The Digital Identities

Cooperation MOU promotes greater cooperation between the UK and Singapore in the field of digital identity, with the aim of developing mutual recognition and interoperability between the respective digital identity regimes.

5. The MOU lays the foundation for a roadmap towards mutual recognition of digital identities between the UK and Singapore, based on the principle of mutual interest and benefit. It is an important step in achieving interoperability of digital identity regimes between different jurisdictions, which can bring tangible benefits such as more reliable identity verification and faster processing of applications. This would in turn reduce barriers in cross-border trade and enable businesses and individuals to navigate the international digital economy with greater ease, confidence and security.

#### Cyber Security

6. The Cyber Security MOU acknowledges the shared vision between the UK and Singapore in maintaining the economic and social benefits of an open, peaceful and secure cyberspace. The two countries also acknowledge their common interest in addressing international challenges and promoting bilateral collaborations to strengthen cyber security. The MOU will build on strong existing cyber cooperation between the UK and Singapore in seeking opportunities for collaboration in areas such as the Internet of Things (IoT) security, promoting cyber resilience and capacity building. As cyber security underpins the digital economy by promoting secure digital trade, the MOU will also build on existing workstreams between the UK and Singapore to build a secure and resilient cyberspace for businesses and consumers.

#### FinTech

7. The side-letter on FinTech cooperation establishes a roadmap for HM Treasury and Monetary Authority of Singapore to revitalise the UKSingapore Fintech Bridge that was established in 2016. The intent is to help UK FinTech firms and investors access the Asian market and expand to Singapore, as well as attract Singaporean FinTech companies and investors to the UK.

#### Customs Cooperation

8. The side-letter on customs cooperation will formalise the formation of a Working Group between Singapore Customs and HM Revenue & Customs to discuss and consider areas of mutual interest on customs and the digital economy including, but not limited to, single window interoperability and supply chain digitisation between Singapore and the UK.