

Press Release of National Development Council (NDC)

2019 Taiwan-U.S. Digital Economy Forum (DEF) Successfully Concluded with Good Achievement; Continuing Cooperation for another New Page in Taiwan-U.S. Cooperation

The 2019 Taiwan-U.S. Digital Economy Forum successfully concluded at noon today, after one and half day's meetings between the representatives from Taiwan and the U.S. governments for policy discussion on 5G, cybersecurity, data economy, cross-border data flows and privacy, and AI/IoT, and a public-private dialogue on AI ethics with representatives from both governments, the academia and the industry. At the conclusion of the Forum, both sides released a Joint Statement on the following ten policy priorities:

- To deepen semiconductor industry integration based on trusted partners, joint advanced research and development, and an understanding of the economic and national security implications of the semiconductor in dustry.
- To support the deployment of secure and trusted 5G hardware, services and standards that uphold shared democratic and open-market values as embodied in the Prague Proposals. To highlight the value of a transparent and open 5G architecture and to more closely cooperate on supporting diverse 5G supply chains.
- To strengthen cybersecurity of the technology industry and its supporting infrastructure, recognizing that cybersecurity is a prerequisite for the development of the digital economy.

Additionally, to engage in capacity building on the digital economy and cybersecurity in and with third countries, such as through the U.S. government's Digital Connectivity and Cybersecurity Partnership (DCCP), the U.S.-Taiwan Global Cooperation and Training Framework (GCTF) and other mechanisms.

- To promote application of best practices on data transparency, big data business models, and open governance. To adopt a "light touch" regulatory approach to create the space for new innovations to emerge, even if doing so might disrupt traditional industries.
- To explore the legal, regulatory and administrative basis for a possible AIT-TECRO instrument on the digital economy that meets the standards set forth in the U.S.-Mexico-Canada Agreement (USMCA) and explores the possibility of establishing even higher standards, while reaffirming participation in the APEC Cross Border Privacy Rules (CBPR) system.
- To pursue closer integration of the U.S. and Taiwan artificial intelligence, Internet of Things, and advanced machinery industries, while putting in place appropriate controls to prevent leakage of sensitive technologies between our respective territories.
- To spur Taiwan's transition to an innovation-based economy, in particular through integrating the U.S. and Taiwan startup ecosystems with those of like-minded economies, promoting women's entrepreneurship, and encouraging social and technological innovation for sustainable and democratic development in our respective territories.
- To facilitate the circulation, cultivation, and connection of

talent between Taiwan, the United States, and other likeminded partners.

- To promote an inclusive, open, and transparent system of Internet governance and active support for the multi-stakeholder approach; and
- To apply all necessary measures to protect intellectual property, including trade secrets, including strengthening cyber defenses and enforcement of relevant laws.

As the DEF is the high-level umbrella framework encompassing full spectrum of digital economy relationship between Taiwan and the U.S., based on an consensus reached and the firm foundation laid by the achievements of the DEF, Taiwan and the U.S. will continue expanding the cooperation on development of digital economy so as to bring about mutually beneficial results by continuing work on SME Work Plan, Global Cooperation and Training Framework and Talent Circulation Alliance. Moreover, both sides expect to establish a U.S.-Taiwan Digital Economy Working Group, co-chaired by the Deputy Minister of Taiwan's National Development Council and the AIT Deputy Director. Until the next DEF, both sides will meet regularly to ensure continual progress towards realizing the two sides' shared policy priorities and initiatives on digital economy.

In the second day of the Forum, to extend first day's discussion between government officials, U.S. delegates from Department of State, Federal Communications Commission, U.S. Agency for International Development, and AIT conducted in-depth discussions and exchanged views with Taiwan representatives from NDC, Ministry of Science and Technology, Ministry of Economic Affairs (Department of Industrial Technology), Industrial Technology Research Institute, Institute for Information

Industry, and academic experts from National Taiwan University, National Tsing Hua University, and Taipei Medical University on issues related to AI ethics, including: from the perspective of "responsibility" and "accountability" to clarify the need of AI related R&D guideline, the possibility of using AI to model human ethics, and the promise and the peril of AI technology. The participants extensively explored these issues from many aspects, including legal, R&D and application. Also, all participants agreed on accountability, transparency, inclusiveness, nondiscriminated are fundamental principles which AI researchers and developers should follow; and there is no universal rule for regulating AI ethics, due to cultural differences in countries in Europe, America or Asia. In addition, the U.S. representatives stated that they expected Taiwan to become an international AI R&D Center of Excellence, transforming itself from technologyfocus only to technology for good, and ultimately, to social and good. innovation for At the technology conclusion. representatives from both sides all considered this dialogue as the beginning of further discussion; as AI technology develops and evolves over time, both sides will continue to exchange views and ideas on emerging issues related to AI ethics.

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