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**Press Release of National Development Council (NDC)**

**2019 Taiwan-U.S. Digital Economy Forum (DEF)**

The 2019 Taiwan-U.S. Digital Economy Forum (DEF), co-organized by the National Development Council (NDC) and the American Institute in Taiwan (AIT), has being held at the NDC today. The Taiwan delegation is led by NDC Minister Mei-Ling Chen, and the U.S. delegation is led by Acting Assistant Secretary of Commerce Ian Steff. In the opening session of this Forum, besides the chief delegate of both sides, AIT Director W. Brent Christensen also delivered remarks.

The Taiwan-U.S. DEF is a platform for high-level policy dialogue on the digital economy between the two countries. Taiwan and the U.S. have jointly organized two DEF meetings; the 1st meeting was held in Taipei in December 2015, and the 2nd meeting was held in Washington DC in October 2016. During the Forum, government officials from both sides discuss major issues related to the development of digital economy; a joint statement is to be released at the conclusion of the Forum, affirming both sides’ commitment to promoting and deepening cooperation on digital economy based upon the solid foundation established so far.

In his opening speech, the U.S. chief delegate Ian Steff, Acting Assistant Secretary of Commerce, mentioned that digital revolution has bring many opportunities and challenges, and one of the most challenging issue is outdated regulations for startups and innovation and trade rules, domestically and internationally. These challenges cannot be solved by single country or enterprise alone. Thus, coordination between countries with shared objectives are critical, and Taiwan’s participation in the APEC Cross-border Privacy Rules (CBPR) system is an outstanding example of U.S.-Taiwan cooperation. He also emphasized that businesses from both sides have a lot of cooperation experiences in many innovative technologies such as 5G, IoT and Big Data Analytics, and this type of cooperation not only can serve as good model for emerging countries to follow, but also can lay a firm foundation for future digital revolution.

 In his remarks, AIT Director W. Brent Christensen stated that DEF, as a high-level policy dialogue and an important platform for further deepening Taiwan-U.S. cooperation on development of digital economy, has contributed greatly on shared vision for the Asia-Pacific region. The cooperation between both sides on semiconductor and ICT industry has made significant progress, especially in terms of trusted supply chain, and commercial secrets and privacy protection. He also emphasized that the U.S. and Taiwan are natural partners in terms of facilitating innovation and entrepreneurship. Both sides have also expanded the cooperation on bridging the digital divide, facilitating the development of digital technology such as 5G and IoT, and promoting talent exchange. In the end of his remarks, he particularly pointed out the priority cooperation areas, including: continuing promoting SME Work Plan, facilitating innovation and entrepreneurship, deepening the cooperation based on GCTF, helping Taiwan share its successful stories in developing digital economy, 5G and so on with global society; building talent network to accelerate talent exchange between both sides.

In the Taiwan chief delegate Minister Chen’s opening remarks, she pointed out that the world needs to face four major digital economic challenges, namely: (i)ensuring that 5G service is safe, reliable and trustworthy so as to promote the proliferation of 5G applications;(ii)ensuring that the benefits of “AI+IoT” outweigh the costs by closely monitoring its social impact and addressing possible ethical conflicts; (iii) ensuring that global data governance is aligned and effective to unlock potential value of data; (iv) ensuring that internet is still deemed as an open, free and safe space. Minister Chen also mentioned that through the DEF platform, Taiwan and the U.S. have launched extensive cooperation in areas such as digital trade and investment, innovation and entrepreneurship, smart technology, cybersecurity, digital inclusion and women's economic empowerment. Moreover the U.S. has been actively assisting Taiwan to participate in multinational cooperation frameworks such as the APEC Cross-Border Privacy Rules (CBPR) system. Fruitful results have been achieved and symbolize great significance for both parties to deepen substantial economic and trade cooperation.

This Forum is a two-day event. On the first day, senior representatives from Taiwan and the U.S. authorities hold discussions for policy exchange on the following five issues:

* **5G:** From 2020 onwards, the global boom of 5G business applications will continue to heat up, and promoting the use of 5G technology to develop business opportunities of the new generation will be one of the most important economic tasks for all the governments around the world.
* **Cybersecurity:** Since cybersecurity loopholes will induce significant damage and impose threat to national security, it is imperative to actively enhance the capacity for cross-border cyber defense.
* **Data Economy:** Open data by the public sector for commercialization by the private sectors is currently the international trend. It creates new business models, and helps drive economic growth, and brings solutions to economic and social problems.
* **Cross-border Data Flows and Privacy:** Promoting cross-border data flows and emphasizing personal data protection are two essential elements for developing digital economy, which complement each other and are worth equal attention.
* **AI/IoT:** Both AI and IoT are disruptive innovative technologies, and play pivotal roles in accelerating the new wave of industrial transformation and upgrading.

In addition to the first day’s bilateral meeting by government representatives, there is a public–private dialogue in the second day of the Forum, which representatives from the industry and academia gather to discuss AI ethics, an important issue with global attention in the development of AI technology.

Taiwan’s development in digital economy has been highly admired globally. In addition to the DEF with the U.S., the NDC also co-hosted the first ever Taiwan-EU Dialogue on Digital Economy (DDE) with the Directorate General for Communications Networks, Content and Technology (DG CONNECT) of the European Commission in June this year. The DDE has become another high-level policy exchange platform on digital economy for Taiwan with other economies.

The AIT delegation included officials representing the Department of State, the Department of Commerce, the Federal Communications Commission, the U.S. Agency for International Development, and AIT. The Taiwan delegation included representatives from NDC, the Board of Science and Technology of the Executive Yuan, the Department of Cyber Security of the Executive Yuan, the Ministry of Economic Affairs (Industrial Development Bureau, and Department of Industrial Technology), the Ministry of Economic Affairs, the Ministry of Science and Technology, and the National Communications Commission.

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