



18 September 2020

**Committee Secretary**

Joint Standing Committee on Treaties  
PO Box 6021  
Parliament House  
Canberra ACT 2600

Via website:

[https://www.aph.gov.au/Parliamentary\\_Business/Committees/Joint/Treaties/DigitalEconomySingapore](https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Treaties/DigitalEconomySingapore)

Dear Sir or Madam,

**Australia and Singapore Digital Economy Agreement**

We welcome the opportunity to provide a submission to the Joint Standing Committee on Treaties on the Australia and Singapore Digital Economy Agreement (ASDEA).

We have focused our feedback on the key areas where we consider we can add the most value, and in addition to the comments we made as part of our previous submission to the Department of Foreign Affairs and Trade which is set out in Appendix A. Further to this, Appendix B provides more information about Chartered Accountants Australia and New Zealand (CA ANZ).

CA ANZ broadly supports the ASDEA and its overarching purpose. We commend the Government on its efforts to include commitments to open data, privacy safeguards, e-payment frameworks, and the protection of a level playing field online.

As digital trade increases in popularity, many small to medium sized entities (SMEs) may not have the resources to adapt their businesses' infrastructure to the changing nature of payment practices. We recommend that Government considers practical support for SMEs, in particular to those transitioning to the use of digital technologies for the first time. We note that the Australian Tax Office is now the registered Australian Public Procurement Online (PEPPOL) Authority and is working with the software and business community to adopt e-invoicing standards in Australia. As such, we recommend that guidance provided recognises that the PEPPOL framework is already in use in Singapore and in other countries across Europe, Asia and North America.

To support the ASDEA, we encourage the Government to continue monitoring the digital landscape, ensuring that Australian companies and consumers are protected and that unencumbered access to internet communications continues to be the norm for local companies and consumers. Similarly, we suggest the Government monitor developments with respect to artificial intelligence to ensure that customers and businesses are best supported when navigating the privacy impacts and the ethical implications of automated decision-making on consumers and workers.

Should you have any questions about the matters discussed in this submission or wish to discuss them further, please contact Karen McWilliams via email at [karen.mcwilliams@charteredaccountantsanz.com](mailto:karen.mcwilliams@charteredaccountantsanz.com) or phone (612) 8078 5451.

Yours sincerely

**Simon Grant FCA**  
**Group Executive**  
**Advocacy & Professional Standing**

**Karen McWilliams FCA**  
**Business Reform Leader**  
**Advocacy & Professional Standing**

# Appendix A

Chartered Accountants Australia and New Zealand  
Submission to the Department of Foreign Affairs and Trade



15 November 2019

## Department of Foreign Affairs and Trade

Via email: [digitaltrade@dfat.gov.au](mailto:digitaltrade@dfat.gov.au)

Dear Sir or Madam,

## Australia and Singapore Digital Economy Agreement

We welcome the opportunity to provide a submission to the Department of Foreign Affairs and Trade (DFAT) on the Australia and Singapore Digital Economy Agreement (ASDEA).

We have focused our feedback on the key areas where we consider we can add the most value. Appendix A provides our detailed submission and Appendix B provides more information about Chartered Accountants Australia and New Zealand (CA ANZ).

### Key Points:

- The Government should consider practical support for small to medium entities (SMEs) as they adapt their business infrastructure to the changing nature of payment practices through digital technologies.
- We suggest DFAT considers the inclusion of provisions safeguarding consumer and SME access to internet communications and minimising the risk of anti-competitive behaviour by dominant players. This could be achieved through a commitment to net neutrality.
- We consider privacy and data protection safeguards that balance privacy rights and encourage innovation in the use of data sets are important and should be considered. We recommend that ASDEA ensures there are appropriate privacy and data protection standards in Australia and Singapore.
- We suggest the eight AI Ethics Principles from the Department of Industry, Innovation and Science for AI use and development are considered as part of ASDEA.

Should you have any questions about the matters discussed in this submission or wish to discuss them further, please contact Karen McWilliams via email at [karen.mcwilliams@charteredaccountantsanz.com](mailto:karen.mcwilliams@charteredaccountantsanz.com) or phone (612) 8078 5451.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Simon Grant'.

**Simon Grant FCA**  
Group Executive  
Advocacy & Professional Standing

A handwritten signature in black ink, appearing to read 'Karen McWilliams'.

**Karen McWilliams FCA**  
Business Reform Leader  
Advocacy & Professional Standing

## General comments

Chartered Accountants ANZ supports the ASDEA negotiations and DFAT's openness to including the views of the public as the initiative progresses. Once established, we encourage Government to consider clear communication of ASDEA, in particular to Australian businesses, to encourage confidence in the digitalisation of the economy.

In 2017, we released [Quest for Prosperity – Shaping the future of our regions](#) and [The quest for Prosperity: Shaping Australia's Future](#). These publications outline opportunities and challenges in economic quality, business environments governance, education, health, safety and security, personal freedom, social capital and natural environment. The publications examine Australia and Singapore's rankings in the global prosperity index and include the strengths and weaknesses of each country as well as inclusion of suggested areas of focus to ensure a prosperous future for all.

We also published, [The Future of Trade- Are we ready to embrace the opportunities?](#) (2017) where we examine how trade will continue to be critical for the future prosperity of Australia and New Zealand. In this paper we outline the importance of reducing business costs and increasing efficiency and how digitising customs (in agencies such as customs authorities, quarantine authorities and meat producers) could present opportunities by reducing shipment times and providing an increased incentive to buy and sell overseas. We also outline the key factors in determining the future rate of growth in international trade will be globalisation, technology and policy.

DFAT may wish to consider the publications mentioned above as a part of the ASDEA initiative.

## Small to Medium business

Some of our members, who either own or work within small to medium businesses, have continued to note that late payments, and other adverse payment practices, are critical issues. As digital trade increases in popularity, many small to medium sized businesses may not have the resources to adapt their businesses' infrastructure to the changing nature of payment practices. We recommend that Government considers practical support, in particular to those transitioning to the use of digital technologies for the first time.

## E-invoicing

E-invoicing has the potential to make billing and payments processes faster, more accurate, and more efficient through the exchange of invoice data between suppliers' and buyers' financial systems. This can assist cash flow management, as often the timing of payments will have a significant impact on the day to day operation of a small business and is also a major factor between the success and failure of businesses in this sector.

The Australian Tax Office is now the registered Australian Public Procurement Online (PEPPOL) Authority and is working with the software and business community to adopt standards in Australia. We

recommend that the PEPPOL framework is considered as a part of the ASDEA as it is a framework already in use in Singapore and in other countries across Europe, Asia and North America.

### **A level playing field online**

Access to fast and high-quality internet communications is critical in a thriving digital economy. We recommend that the Government consider including net neutrality requirements as a part of ASDEA. Net neutrality, in essence, is the principle that internet service providers (ISPs) treat access to data equally irrespective of the content (so long as it is legal), platform, application, or method of communication. Where ISPs are able to discriminate, for example by throttling data or charging more for data for certain platforms or websites, there is a risk of anti-competitive behaviour by dominant players. Those most affected are likely to be non-market dominant SMEs and consumers.

We understand that Singapore has some form of legal protections for net neutrality / internet access. We recommend that the Australian government ensures through ASDEA that Australian companies and consumers are protected and that unencumbered access to internet communications services in Singapore is assured on the same basis as for local companies and consumers.

### **Privacy safeguards and data protection**

Consumers are increasingly concerned with protection of their personal data, particularly in the age of big data and social media. At the same time, big data sets and an open global information economy provide commercial opportunities. It is important that our trading partners have appropriate safeguards for personal data and that there are clear and easy to follow rules for businesses. We recommend that ASDEA ensures there are appropriate privacy and data protection standards in Australia and Singapore.

We suggest DFAT considers cybersecurity issues (including countermeasures) as it relates to data breaches including pathways if data is compromised and how Singapore and Australia would work together in such instances (and who would be responsible).

### **Open data**

We commend the Government for its commitment to open data in Australia; improving accessibility to public data can promote transparency, confidence in institutions, and provide opportunities for commercial and public sector innovation. Australia has adopted the International Open Data Charter, which contains the principle that government data should be open by default. Singapore however has not adopted the charter. We support ASDEA including provisions on reciprocal open data access in Australia and Singapore.

### **Artificial intelligence**

There is the potential for significant commercial opportunities through artificial intelligence (AI) technology but these come with risks, for example privacy impacts and the ethical implications of automated decision-making on consumers and workers. We have previously considered some of these issues in our discussion paper [Machines can learn, but what will we teach them?](#)

We note that the Department of Industry, Innovation and Science has recently released their eight principles for designing, developing, integrating or using AI systems. We suggest that these principles are considered as part of ASDEA for AI use and development across the two countries.

## Appendix B

### About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 125,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live. Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations. We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.