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GOOD
INSTITUTE



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Spotlight on Southeast Asia: Evolution of Tech Regulation in the Digital Economy



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Executive Summary

➤ Regulation of the tech ecosystem in Southeast Asia reflects different approaches.

Governments are recognising the importance of updating laws and regulations to address the challenges of emerging technologies and the innovative business models they enable. The mandate of governing the digital economy is usually spread across different agencies in each of the SEA-6 countries, with Thailand pursuing a more integrated approach.

➤ While there are different approaches to governing the digital ecosystem in the SEA-6, there are common goals that are evident across countries.

Common areas of focus include:

- 1) preserving competition for innovation,
- 2) protecting consumers,
- 3) safeguarding personal data to foster trust, and
- 4) enhancing cybersecurity.

This is reflective of a common goal of balancing digital innovation and protecting the public's interest.

Executive Summary

Existing regulators in SEA-6 economies are seeing their regulatory roles expand.

With new technologies and innovative business models, the mandate of regulators now includes areas traditionally not within their purview.

For example, the rise of e-commerce has added new policy areas for trade ministries and central banks. Transport franchising regulators have also seen an expansion of their mandate to include ride-hailing services and transport-sharing services. In some cases, reorganisation within and between ministries has been necessary to adapt to the changing landscape of the digital economy.

New regulators with fresh mandates are also being established.

Digitalisation has introduced new challenges unique to the digital economy. For example, data protection agencies have been created to respond to the need for safeguarding personal data in our new digital reality. Cybersecurity agencies are also being formed to protect critical technologies and information systems, address cyber threats, foster trust in the ecosystem, and enable a more resilient digital ecosystem.

Executive Summary

➤ With rapid technological developments, coordination of tech policy is key to enabling a responsive regulatory environment.

Technology and business innovation moves faster than traditional policymaking. To keep pace with the impact of digital transformation, tech policy coordination is needed among government agencies, between public and private sectors, and across countries.

Southeast Asia's regulatory environment continues to evolve.

While tech regulation in Southeast Asia is spread across several agencies in each of the countries, common regulations revolve around:



Preserving competition
for innovation



Protecting consumers
and small businesses



Protecting
personal data



Enhancing
cybersecurity

Definition of Terms

For this study, we adopt definitions based on [Tech Policy Design Centre's report on Tending the Tech Ecosystem](#).

Term	Definition
Regulation	An intentional form of intervention [...] in the economic activities of a target population with the aim of achieving a public policy objective or set of objectives. The intervention can be direct and/or indirect, the activities can be economic and/or non-economic, and the regulatee may be a public or private-sector actor.
Regulators	Government officials, departmental units and independent statutory authorities that are empowered by legislation to administer and enforce regulation, or more specifically to: grant approvals (including registration and licensing); monitor compliance; and enforce laws.
Tech Sector	Includes: <ul style="list-style-type: none">• Companies and individuals whose core business is to develop digital technologies, including infrastructure, hardware, software, products, platforms and services (or a combination of some or all of those elements); and• Companies and individuals whose core business is to develop digital technologies to deliver previously analogue products and services (for example: fintech, healthtech and agritech companies).

Definition of Terms

For this study, we adopt definitions based on [Tech Policy Design Centre's report on Tending the Tech Ecosystem](#).

Term	Definition
Tech-ecosystem	<p>Is broadly defined to include:</p> <ul style="list-style-type: none">• The tech sector, its employees and financiers;• Manufacturers, retailers, installers and repairers of digital technologies;• End users of digital technologies (government, enterprises or individuals);• Entities (other than companies and individuals for whom it is a core business) that develop digital technologies, study the impact of digital technologies or support the tech sector's talent pipeline;• Entities (public or private) that design and implement tech regulation; and• Tech regulators.
Tech Regulation	<p>An intentional form of intervention in the tech ecosystem with the aim of achieving a public policy objective or set of objectives. The intervention can be direct and/or indirect, the activities can be economic and/or non-economic, and the regulated party may be a public or private sector actor.</p>
Tech Regulator	<p>Government officials, departmental units and independent statutory authorities that are empowered to administer and enforce tech regulation, or more specifically to grant approvals (including registration and licensing), monitor compliance and enforce regulations.</p>

Tech Regulators

Country Overviews

The following section outlines the regulators responsible for key areas of governance related to the digital economy.

It is our hope that a shared understanding of “who” is developing and enforcing policy enables citizens, companies, researchers and policymakers to better interpret “how” technology governance is pursued in each jurisdiction.

This review is but a “snapshot” of current practice as of 2023. We are keenly aware that the rapid evolution of technology, coupled with the pace of change within each country, will mean continued changes in the tech regulatory landscape. We welcome your feedback, especially with regard to any inaccuracies, omissions or obsolete information. We are keen for this to be a useful resource and your comments would be greatly appreciated.



Indonesia



[Indonesia Competition Commission \(KPPU\)](#)



KEMENTERIAN
PERDAGANGAN
REPUBLIK INDONESIA

[Ministry of Trade
\(Kementerian Perdagangan\)](#)



KOMINFO

[Ministry of Communication
and Information Technology
\(KOMINFO\)](#)



OTORITAS
JASA
KEUANGAN

[Indonesia Financial Services
Authority \(OJK\)](#)



BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA

[Bank Indonesia](#)



[National Cyber and Crypto
Agency \(BSSN\)](#)



[Malaysia Competition Commission \(MyCC\)](#)



KEMENTERIAN PERDAGANGAN DALAM NEGERI
DAN KOS SARA HIDUP

[Ministry of Domestic Trade and Costs of Living \(KPDN\)](#)



[Ministry of Communications and Digital*](#)



[Personal Data Protection Department \(PDPD\)](#)



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

[Bank Negara Malaysia \(BNM\)](#)



Ministry of Health Malaysia

[Ministry of Health Malaysia](#)



[National Cyber Security Agency \(NACSA\)](#)



[Commercial Crime Investigation Department \(CCID\)](#)

* As of December 2023, the Ministry of Communications and Digital was split into 2 agencies: the Ministry of Communications and the Ministry of Digital. The Ministry of Digital guides and supervises Malaysia's initiatives related to digitalisation and digital transformation on a national scale.



Philippines



[Philippine Competition Commission \(PCC\)](#)



[Department of Trade and Industry \(DTI\)](#)



DICT

[Department of Information and Communications Technology \(DICT\)](#)



[National Privacy Commission \(NPC\)](#)



[National Telecommunications Commission \(NTC\)](#)



[Bangko Sentral ng Pilipinas \(BSP\)](#)



[Cybercrime Investigation and Coordinating Center \(CCIC\)](#)



Singapore



[Competition and Consumer Commission of Singapore \(CCCS\)](#)

Enterprise Singapore

[Enterprise Singapore](#)



[Intellectual Property Office of Singapore \(IPOS\)](#)



[Singapore Customs](#)



Ministry of Communications and Information
[Ministry of Communications and Information \(MCI\)](#)



[Smart Nation Singapore](#)



[Infocomm Media Development Authority \(IMDA\)](#)



[Personal Data Protection Commission Singapore](#)

POFMA OFFICE

[Protection from Online Falsehoods and Manipulation Act Office \(POFMA\)](#)



Monetary Authority of Singapore

[Monetary Authority of Singapore \(MAS\)](#)



[Health Sciences Authority \(HSA\)](#)



[Singapore Police Force \(SPF\)](#)



[Cyber Security Agency of Singapore \(CSA\)](#)



Thailand



[Trade Competition Commission of Thailand \(TCCT\)](#)



[Ministry of Digital Economy and Society](#)



[Electronic Transactions Development Agency \(ETDA\)](#)



[Securities and Exchange Commission](#)



[National Broadcasting and Telecommunications Commission \(NBTC\)](#)



[Personal Data Protection Commission Office](#)



BANK OF THAILAND

[Bank of Thailand](#)



[National Cyber Security Agency](#)



Vietnam



[Vietnam Competition and Consumer Authority \(VCCA\)](#)



[Ministry of Planning and Investment](#)



[Ministry of Industry and Trade \(MoIT\)](#)



[Ministry of Information and Communications](#)



[State Bank of Vietnam](#)



[Ministry of Public Security](#)

Regulatory Trends in Southeast Asia's Digital Economy

While the SEA-6 governments share some common goals in regulating their tech ecosystems, the country overviews demonstrate the diversity of approaches to regulating the rapidly changing landscape of the digital economy.

There are also key trends that can be observed in terms of the evolution of tech regulation in the region's digital economy.

Existing regulators are seeing their roles expand

Specialist agencies emerge with fresh mandates

Increasing the need for coordination

Coordination Recommendations

Given the pace of change taking place in the digital economy, as well as the cross-cutting nature of the sector, greater coordination among stakeholders is vital to foster an enabling environment for innovation, while mitigating unintended consequences and emerging risk areas.

Coordination efforts between stakeholder groups involved in the digital economy that can be helpful in advancing the region's growth in this area include:

Between government agencies

The complexity, scale and ubiquity of digital technology requires close coordination between government agencies. Governments in the region can consider piloting near-term, soft coordination channels to serve as the de facto convening platforms for government agencies and departments to facilitate coordination, alignment, and where relevant, collaboration opportunities to address key areas of national concern. Such channels could take the form of a multi-agency steering committee or programme office.

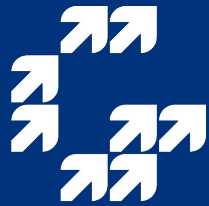
Coordination Recommendations

Between the public and private sector

As the pace of digitalisation and technology development continues to accelerate, open and collaborative lines of engagement between the public and private sector are vital. Digital economy companies drive innovation through research, developing and deploying new products and services. Many digital economy companies are also repositories of data, both operational and personally identifiable, at a scale often surpassing that are held by governments of its citizens. While regulators have engagement mechanisms that seek private sector views on specific topics, consistent open dialogue is more important than ever.

Between governments in Southeast Asia

Given the diversity of ASEAN member states in digital maturity and digital governance approaches, region-wide initiatives are essential to work together to realise the full potential of the digital economy. Currently, there are ongoing discussions on a Digital Economy Framework Agreement that is projected to further double the value of the region's digital economy to \$2 trillion by 2030. It is crucial for ASEAN to prioritise coordination and cooperation without necessarily aiming for complete harmonisation, but rather agreeing on frameworks that would chart pathways for interoperability. These would be steps towards creating a responsive regulatory environment that would enable an inclusive, innovative and investable Southeast Asia.



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