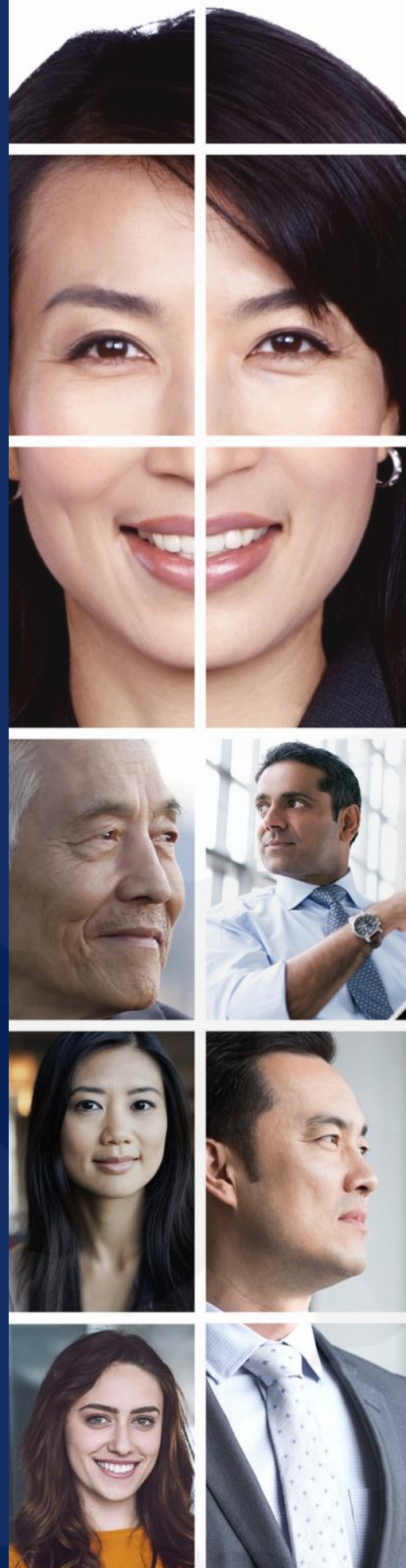


DNA ASEAN GUIDE TO:
HOW THE USE OF
ARTIFICIAL
INTELLIGENCE IS
REGULATED IN
SOUTHEAST ASIA

Edited by Lim Chong Kin and Cheryl Seah



CONTENTS

NO. CONTENT

1. INTRODUCTION

- A) What is AI
- B) An overview of the ASEAN Guide on AI Governance and Ethics, setting out ASEAN's collective approach towards the use of AI
- C) A country comparative overview of 9 ASEAN countries

PAGE

4

5

7

14

Each of the country guides will cover the following 10 questions:

1. Has your jurisdiction released any national AI strategy?
2. Are there any laws targeting the use of AI in your jurisdiction? Or is it covered by existing laws regulating the product/service that AI is embedded in?
3. To date, are there any judicial decisions concerning the use of AI in your jurisdiction?
4. What are some key AI guidelines released in your jurisdiction?
5. Are there grants for companies to tap on to promote their use of AI?
6. Which regulator oversees AI in your jurisdiction? Is there a dedicated regulator? What is the scope of the regulator's duties?
7. How will liability arising from the use of AI be addressed in your jurisdiction?
8. What are the copyright laws applicable to the use of AI systems in your jurisdiction?
9. What are the personal data laws applicable to the use of AI systems in your jurisdiction?
10. What are 3 things organisations deploying AI in your jurisdiction should note?

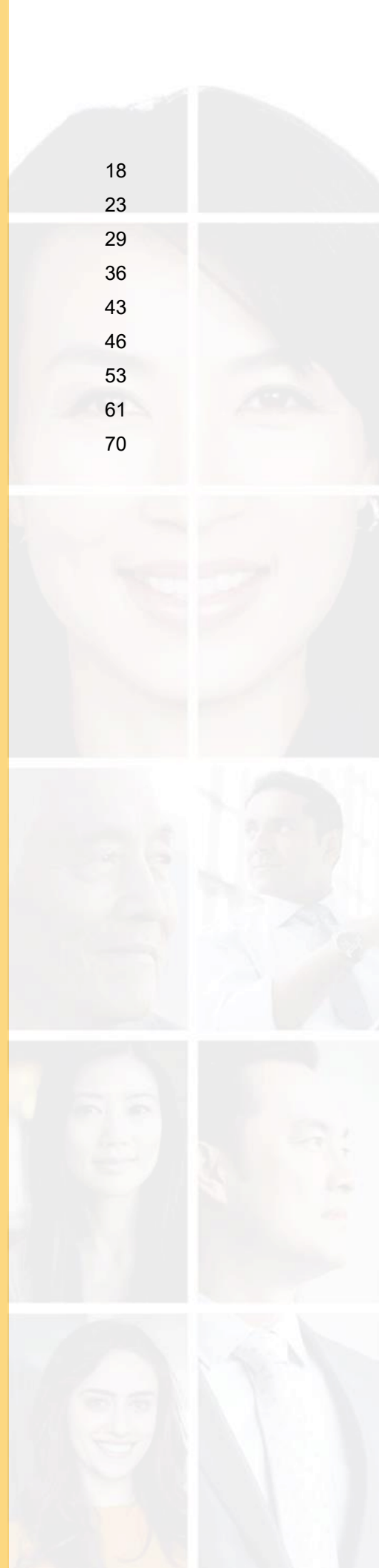


2. **BRUNEI DARUSSALAM**
3. **CAMBODIA**
4. **INDONESIA**
5. **MALAYSIA**
6. **MYANMAR**
7. **PHILIPPINES**
8. **SINGAPORE**
9. **THAILAND**
10. **VIETNAM**

18
23
29
36
43
46
53
61
70

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1. INTRODUCTION

AI is a general-purpose technology that can be used for many different tasks across many different sectors (e.g. healthcare, transport, finance). Both the public and private sector are exploring the use of AI technologies to improve efficiency, aid decision-making, personalise services and automate routine tasks.

Nevertheless, “artificial intelligence” is not a new technology – it has come to the forefront in recent times because we now have the computing capacity to process the large amounts of data.¹ The concept of “artificial intelligence” was first introduced at the Dartmouth Summer Research Project on Artificial Intelligence in 1956. Research continued until the 1st AI winter in the 1970s due to the limited processing power and storage capacities of computers in the day. Subsequently, there was a second AI winter in the late 1980s due to limited funding for AI research as well as limited computing power.

The introduction of ChatGPT to the public in November 2022 where any person with an Internet connection could avail themselves of the benefits and efficiencies of generative AI has accelerated public and private sector scrutiny of the use of AI, including the shaping of ethics and safety principles concerning its use.

However, alongside these benefits come significant risks, for example, data privacy and confidentiality risks, biased or toxic output, cybersecurity risks, and a lack of understanding on how the AI system arrives at an output. At the end of the day, a primary concern for organisations is determining liability for AI system performance and output.

In response to these challenges, regulators around the world are developing frameworks to ensure that AI systems are designed and deployed responsibly. These frameworks introduce steps developers², deployers³ and users⁴ of AI systems should take to manage and mitigate the risks, as poorly designed AI systems can lead to undesirable outcomes. Principles such as “explainability”, “transparency” and “fairness”, “safety” and “human-centricity” are now widely recognized and adopted.

The ASEAN region, despite its diverse political, social and economic landscapes, has established a common set of principles to govern the use of AI, together with recommended actions for developers and deployers of AI systems. This is captured in the ASEAN Guide on AI Governance and Ethics issued on 2 February 2024 at the 4th ASEAN Digital Ministers’ Meeting in Singapore.

¹ OECD (2022), “Harnessing the power of AI and emerging technologies: Background paper for the CDEP Ministerial meeting”, OECD Digital Economy Papers, No. 340, at page 8 – “Over the past few years, the availability of large amounts of data, breakthroughs in machine learning, high-quality connectivity and the expansion of computation power dramatically increased the capability, availability, growth and impact of AI and emerging technologies”. The paper is accessible at [https://one.oecd.org/document/DSTI/CDEP\(2022\)14/FINAL/en/pdf](https://one.oecd.org/document/DSTI/CDEP(2022)14/FINAL/en/pdf).

² “Developer” is an entity that designs, codes or produces an AI system (definition from the ASEAN AI Guide on AI Governance and Ethics (“ASEAN AI Guide”)).

³ “Deployer” is an entity that uses or implements an AI system, which could either be developed by their in-house team or via a third-party developer (definition from the ASEAN AI Guide).

⁴ “User” is an entity or person (internal or external) that interacts with an AI system or an AI-enabled service and can be affected by its decisions (definition from the ASEAN AI Guide).

We have thus created the Drew Network Asia Guide to AI to equip you with a basic understanding of the following:

- **Section A:** What is AI?
- **Section B:** An overview of the ASEAN Guide on AI Governance and Ethics, setting out ASEAN's collective approach towards the use of AI.
- **Section C:** A country comparative overview of 9 ASEAN countries, summarising key details from the country guides.
- The key legal issues arising from the use of AI in each ASEAN country, set out in the 9 country guides.

As countries gain a better understanding of the technology and accumulate more use cases to draw on, their regulatory approaches towards the use of AI will also evolve. Consequently, we will update this guide periodically to keep pace with developments in the region.

A) What is AI

When we speak of AI, there are 2 broad categories⁵:

- “Traditional AI” (also called “discriminative AI”) – which are AI models that make predictions by leveraging insights from historical data;
- “Generative AI” – which are AI models capable of generating text, images or other media types, learning the patterns and structure of the input training data and generating new data with similar characteristics.

The ASEAN Guide on AI Governance and Ethics (“**ASEAN AI Guide**”) defines both “AI” and “AI system” in relation to “traditional” AI systems:

- “AI” is “an engineered or machine-based system that can, for a given set of objectives, generate outputs such as predictions, recommendations, or decisions influencing real or virtual environments”.
- “AI system” is “a machine-based system that is capable of influencing the environment by producing an output (predictions, recommendations or decisions) for a given set of objectives. It uses machine and/or human-based data and inputs to (i) perceive real and/or virtual environments; (ii) abstract these perceptions into models through analysis in an automated manner (e.g., with machine learning), or manually; and (iii) use model inference to formulate options for outcomes. AI systems are designed to operate with varying levels of autonomy.”

This is broadly in line with the OECD definition which also defines an AI system⁶ (covering both traditional and generative AI) in relation to its unique characteristics:

⁵ The references are based on Singapore's Model AI Governance Framework for Generative AI, available at <https://aiverifyfoundation.sg/wp-content/uploads/2024/05/Model-AI-Governance-Framework-for-Generative-AI-May-2024-1-1.pdf>

⁶ The OECD defines an AI system as “a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. Different AI systems vary in their levels of autonomy and adaptiveness after deployment.”

- **“autonomy”** – which is defined in OECD’s Explanatory Memorandum⁷ as “the degree to which an AI system can learn or act without human involvement following the delegation of autonomy and process automation by humans.” However, “human supervision can occur at any stage of the AI system lifecycle, such as during AI system design, data collection and processing, development, verification, validation, deployment or operation and monitoring”⁸.
- **“adaptiveness”** – which is explained in OECD’s Explanatory Memorandum as “usually related to AI systems based on machine learning that can continue to evolve after initial development. The system modifies its behaviour through direct interaction with input and data before or after deployment. Examples include a speech recognition system that adapts to an individual’s voice or a personalised music recommender system. AI systems can be trained once, periodically, or continually and operate by inferring patterns and relationships in data. Through such training, some AI systems may develop the ability to perform new forms of inference not initially envisioned by their programmers.”⁹

We have identified some characteristics of AI technologies that pose challenges that we must find ways to mitigate, whether through changes to the law, or through contractual obligations:

- Increased complexity in explaining how the output is derived, where the input, training data, model architecture and the factors taken into account to produce the output all play a part. Hence, if explainability cannot be practically achieved, organisations can instead show the repeatability of results produced by the AI model where it will consistently give the same results given the same scenario (same data, same computational considerations).¹⁰
- The output of an AI system is heavily dependent on the quality of its training data.¹¹
- The output is not always reliable – for example, we have seen generative AI systems give inaccurate, toxic or defamatory output.
- Model drift – the model can become obsolete due to changes in the environment, as the data it was trained on may no longer match the real-world conditions the model is deployed in. Therefore, it is necessary to regularly monitor model performance and retrain the model where necessary.

⁷ OECD Explanatory Memorandum on the Updated OECD Definition of an AI System, March 2024, accessible at https://www.oecd.org/en/publications/explanatory-memorandum-on-the-updated-oecd-definition-of-an-ai-system_623da898-en.html

⁸ See page 6 of the OECD Explanatory Memorandum

⁹ See page 6 of the OECD Explanatory Memorandum

¹⁰ See page 12 of the ASEAN AI Guide.

¹¹ See page 30 of the ASEAN AI Guide - “An AI system is only as good as the data used to develop it”.

B) An overview of the ASEAN Guide on AI Governance and Ethics, setting out ASEAN's collective approach towards the use of AI

In this section, we provide a summary of the 87-page ASEAN AI Guide and highlight the recommended steps/actions that organisations developing or deploying AI systems should take in their day-to-day operations.

On 2 February 2024, ASEAN released the ASEAN Guide on AI Governance and Ethics ("**ASEAN AI Guide**") at the 4th ASEAN Digital Ministers' Meeting held in Singapore from 1 - 2 February 2024.

The ASEAN AI Guide is intended for organisations in the region that intend to design, develop and deploy traditional AI technologies (it does not cover generative AI systems) for commercial and non-military use. It is described as "regional best practice guidance on AI governance and ethics". Local government authorities are also encouraged to refer to the ASEAN AI Guide when formulating their policies and approaches. The ASEAN AI Guide covers 4 main areas, and encloses an AI Risk Impact Assessment Template:

- Area 1: 7 guiding principles to ensure the development of trustworthy and ethical AI
- Area 2: 4 key areas for organisations to implement AI governance measures
- Area 3: National level recommendations for policymakers
- Area 4: Regional level recommendations for policymakers

Area 1: 7 Guiding Principles to build trustworthy and ethical AI systems:

The Guide sets out seven Guiding Principles to build trustworthy and ethical AI systems:

	Explanation of principle	Actions to be taken
(1) Transparency and Explainability	<ul style="list-style-type: none"> • Transparency is to provide disclosure on when an AI system is being used, and the involvement of an AI system in decision-making, what kind of data it uses, and its purpose • Explainability is the ability to communicate the reasoning behind an AI system's decision 	<ul style="list-style-type: none"> • Developers should disclose the implementation of an AI system to stakeholders, so that users (1) know they are interacting with an AI system and (2) are aware of the expected behaviour of the AI system so they can tell if the AI system is not behaving as expected

	<p>in a way that is understandable to a range of people, as it is not always clear how an AI system arrived at its decision</p>	<ul style="list-style-type: none"> • Developers and deployers should foster general understanding among users of how such systems work with simple and easy to understand explanations on how the AI system makes decisions. Where “black box” models are deployed, other measures may be taken, such as demonstrating the repeatability of results produced by the AI system
(2) Fairness and equity	<ul style="list-style-type: none"> • It is important that algorithmic decisions do not exacerbate or amplify existing biases and discriminatory practices 	<ul style="list-style-type: none"> • Deployers should conduct regular testing of their AI systems to check if there is bias, and if bias is confirmed, to make the necessary corrections • Developers and deployers must align the design, development and deployment of AI systems with fairness and equity principles e.g. by ensuring datasets used in training are diverse and representative
(3) Safety and security	<ul style="list-style-type: none"> • AI systems should be safe and sufficiently secure against malicious attacks 	<ul style="list-style-type: none"> • Developers and deployers should conduct impact or risk assessments to ensure that known risks have been identified and mitigated • Deployers should also subject the AI

		<p>system to relevant testing or certification, and implement the appropriate level of human intervention necessary to prevent harm when unsafe decisions take place</p> <ul style="list-style-type: none"> • Developers and deployers should work together to put in place technical security measures like robust authentication mechanisms, and protect the AI system against cyberattacks and other digital security risks • Deployers should develop incident response plans
(4) Human-centricity	<ul style="list-style-type: none"> • People should benefit from AI systems and be protected from their potential harms 	<ul style="list-style-type: none"> • Deployers should understand how users interact with the AI system and aim to minimize any negative outcomes from its outputs. AI systems should not manipulate users into making decisions they would otherwise not have made • Deployers should consider how jobs can be redesigned to incorporate the use of AI
(5) Privacy and Data Governance	<ul style="list-style-type: none"> • AI systems must have mechanisms in place to ensure data privacy and protect the quality and integrity of data 	<ul style="list-style-type: none"> • Developers and deployers must comply with applicable data protection laws, and be transparent about

	throughout their entire lifecycle	their data collection processes. They should not gather unnecessary or irrelevant data to prevent potential misuse. They should also incorporate privacy-by-design principles when developing and deploying AI systems
(6) Accountability and Integrity	<ul style="list-style-type: none"> There must be human accountability and control in the design, development and deployment of AI systems, including the decisions made by the AI systems 	<ul style="list-style-type: none"> Deployers should be accountable for decisions made by AI systems and for compliance with applicable laws and AI ethics and principles. Organisations should thus have clear roles and responsibilities for their employees involved in the AI system lifecycle
(7) Robustness and Reliability	<ul style="list-style-type: none"> AI systems must be sufficiently robust to cope with errors during execution, or unexpected or erroneous input, or stressful environmental conditions. They must also perform consistently 	<ul style="list-style-type: none"> Deployers should ensure proper access control and protection of critical or sensitive systems, and take action to prevent or mitigate negative outcomes that occur due to unreliable performances. They should also conduct rigorous testing of the AI system before deployment to ensure robust and consistent results across a range of situations and environments

Area 2: 4 key areas that an organisation should focus on to design, develop and deploy AI technologies responsibly

The Guide also recommends that organisations adopt measures promoting the responsible use of AI in 4 key areas¹²:

Key area	Actionable steps for developers and deployers
(1) Internal governance structures and measures	<ul style="list-style-type: none"> • Organisations must have internal governance structures put in place so that they have oversight of how AI systems are designed, developed and deployed across the organisation (e.g. to evaluate and manage the risks of AI systems) • Organisations may wish to set up a multi-disciplinary, central governing body that is representative of stakeholders to oversee AI governance and develop standards, guidelines and codes of conduct for the organisation; or have a more decentralized governance structure if flexibility and speed are of the essence • Organisations should clarify the roles and responsibilities of all personnel responsible for the design, development or deployment of AI so that they are aware of their duties and remain accountable for testing and managing the potential risks of the AI system
(2) Determining the level of human involvement in AI-augmented decision-making	<ul style="list-style-type: none"> • Deployers should first understand their objective of using AI, as this will help to frame the risks involved in its use (e.g. how severe could the potential negative effects be, how many people could be affected by the AI system, and how likely is it for the AI system to cause a negative impact), and whether the advantages of using AI outweigh the risks. In doing so, deployers should also be sensitive to the different local norms and values in different countries where their users reside, where some products or topics may be insensitive and unacceptable in some countries but not others • Deployers should keep proper documentation of risk impact

¹² These four key areas modelled on those in Singapore's Model AI Governance Framework.

	<p>assessments conducted – a sample is enclosed at Annex A of the ASEAN AI Guide, which is modelled on the existing Singapore PDPC's Implementation and Self-Assessment Guide for Organisations. Organisations may also refer to the US NIST AI Risk Management Framework Playbook</p>
(3) Operations management	<ul style="list-style-type: none"> • The ASEAN AI Guide sets out 5 stages of the AI System Lifecycle <ul style="list-style-type: none"> ○ Project governance and problem statement definition (i.e. understanding why and how AI is to be used) ○ Data collection and processing ○ Modelling (evaluating the explainability, repeatability, reproducibility and robustness of the model where feasible, and documenting the model training and selection process) ○ Outcome analysis (evaluating the performance of the AI system – is it fit-for-purpose) ○ Deployment and monitoring • Developers and deployers must be aware that the AI System Lifecycle is not unidirectional and can be a continuous process of fine-tuning it to achieve better outcomes. The ASEAN AI Guide sets out a series of questions that developers and deployers must consider at each stage so that they think through the issues carefully and are fully aware of the risks arising from the use of AI (see pages 28 to 40 of the Guide)
(4) Stakeholder interaction and communication	<ul style="list-style-type: none"> • Deployers should provide general disclosures of when AI is used in their product or service offerings (e.g. intended purpose of AI system, and how the AI system affects the decision-making process in relation to the user), as well as disclaimers on the limitations of the AI system • Deployers should also help their employees adapt to an AI-augmented work environment, by providing training and education opportunities on AI, and

	<p>redesigning jobs where necessary instead of making them redundant</p> <ul style="list-style-type: none"> • Deployers should implement a feedback mechanism so that stakeholders can give feedback on the performance of the AI system for the necessary adjustments to be made to it (or even allow users to opt out of the AI-enabled service)
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Area 3: National level recommendations for policymakers

The ASEAN AI Guide also sets out recommendations for policymakers at the national level. This will be helpful to organisations to see (in addition to their own country's national AI strategies) what areas their regulators may prioritise:

- To nurture AI talent and upskill the workforce
- To support AI innovation ecosystems and promote investment in AI start-ups
- To invest in AI research and development
- To promote the adoption of useful tools by businesses to implement the ASEAN AI Guide (e.g. model provenance tools that keep track of and document every step of the AI system lifecycle such as where the training and testing data came from and the model selection process, as well as fairness tools to assess fairness issues with AI systems)
- To raise awareness among citizens on the effects of AI on society, so that they are aware of how to use AI appropriately and can protect themselves from its risks such as misinformation.

Area 4: Regional level recommendations for policymakers

The ASEAN AI Guide concludes with recommendations for policymakers at the regional level. This will be helpful to organisations to see what developments are upcoming, in particular, guidance on generative AI. The recommendations are as follows:

- Set up an ASEAN Working Group on AI Governance to drive and oversee AI governance initiatives in ASEAN, such as by developing and implementing regional tools for AI governance and providing guidance to ASEAN countries who wish to adopt components of the ASEAN AI Guide
- Adapt the ASEAN AI Guide to address governance for generative AI, creating a shared responsibility framework to clarify the responsibilities of all parties in the generative AI system life cycle, as well as the safeguards and measures that each of them must undertake

- Compiling a compendium of use cases to showcase how organisations in ASEAN are implementing the ASEAN AI Guide.

C) A country comparative overview of 9 ASEAN countries

This table is a snapshot of the key AI strategies, guidelines and AI-specific legislation across the ASEAN jurisdictions:

Country	National AI strategy	Significant guidelines	Significant AI-specific legislation
Brunei	Not at present	Not at present, but the Ministry of Transport and Communications has announced plans to develop guidelines on the responsible use of AI (March 2024)	Not at present
Cambodia	Not at present	Ministry of Industry, Science, Technology and Innovation's AI Landscape Report (May 2023)	Not at present
Indonesia	National Artificial Intelligence Strategy for 2020-2045	Ministry of Communication and Informatics Circular Letter No. 9 of 2023 on Ethics on Artificial Intelligence	Not at present, although the Indonesian government aims to introduce legislation in the future
Malaysia	National Artificial Intelligence Roadmap 2021–2025	“ChatGPT and Security Best Practices” issued by the Malaysia Computer Emergency Response Team (February 2023)	Not at present
Myanmar	Not at present	Not at present	Not at present

Philippines	National AI Strategy Roadmap (May 2021)	The National Privacy Commission through Advisory Opinion No. 2024-002 dated 19 January 2024 issued general guidance on the use of AI in the processing of personal information and to improve correspondences and communication	Several bills regulating AI are pending in Congress, among which is House Bill No. 9448 (An Act regulating the use of AI and automation systems in the labour industry and for other purposes)
Singapore	National Artificial Intelligence Strategy 2.0 (December 2023)	<ul style="list-style-type: none"> Model Artificial Intelligence Governance Framework (issued January 2020 by the Infocomm Media Development Authority (IMDA) and Personal Data Protection Commission) Model Governance Framework for Generative AI (issued May 2024 by the IMDA and AI Verify Foundation) 	Not at present
Thailand	Thailand National AI Strategy and Action Plan (2022 – 2027)	<ul style="list-style-type: none"> AI Ethics Guidelines issued by the Ministry of Digital Economy and Society 	<ul style="list-style-type: none"> Draft Royal Decree on Artificial Intelligence System Service Business

		<ul style="list-style-type: none">Ethical guidelines for AI issued by the National Office of Science and Technology Development	<ul style="list-style-type: none">Draft AI Innovation Promotion and Support Act
Vietnam	Decision No. 127/QĐ-TTg on the National Strategy for Research, Development, and Application of Artificial Intelligence until 2030 (issued January 2021)	The Ministry of Science and Technology issued Decision No. 1290/QĐ-BKHCN on guiding principles for responsible research and development of artificial intelligence systems (June 2024)	Draft Law on Digital Technology Industry released for public consultation on 2 July 2024

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BRUNEI DARUSSALAM

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1) Has Brunei Darussalam released any national AI strategy?

Presently, the Government of Brunei Darussalam has not announced or released any national AI strategy.

However, the Government of Brunei Darussalam has policies to drive the adoption of technology. In Brunei Darussalam's Digital Economy Masterplan 2025¹³, the Digital Economy Council of Brunei Darussalam aims to drive adoption of technology through training on key technology solutions and collaboration with key industry players, particularly in the realm of Industry 4.0 ("IR4.0") technologies. IR4.0 technologies are typically understood to include AI and machine learning, cloud computing and Internet of Things technologies.¹⁴

Supporting Brunei's Industry 4.0 vision, the Brunei Ministry of Education has embarked on a multi-phase youth skills and teacher training program¹⁵ — 'Teens in AI', a joint effort between Darussalam Enterprise (a statutory body) and other stakeholders, is dedicated to fostering fundamental understanding and expertise in artificial intelligence, machine learning, and big data at the grassroots level.

The Ministry of Finance and Economy has also issued an Economic Blueprint for Brunei Darussalam in 2020, where Brunei's businesses are encouraged to leverage on technology in order to increase their productivity and enhance their competitiveness and be able to penetrate international markets.

2) Are there any laws targeting the use of AI in Brunei Darussalam? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Brunei Darussalam does not have legislation specifically addressing the use of AI at the time of publishing of this guide.

3) To date, are there any judicial decisions concerning the use of AI in Brunei Darussalam?

There are no published judicial decisions concerning the use of AI in Brunei Darussalam at the time of publishing of this guide.

4) What are some key AI guidelines released in Brunei Darussalam?

There are no AI guidelines released in Brunei Darussalam at the time of publishing of this guide.

¹³ The Digital Economy Masterplan is accessible at

<https://www.mtic.gov.bn/DE2025/documents/Digital%20Economy%20Masterplan%202025.pdf>

¹⁴ IBM, *What is Industry 4.0?*, <https://www.ibm.com/topics/industry-4-0>

¹⁵ More details of this initiative are accessible at <https://www.teensinai.com/brunei/>

However, Brunei's Ministry of Transport and Communications ("**MTIC**") has announced plans to develop guidelines on the responsible use of AI, and to regulate and address ethical issues on the use of AI. These guidelines are intended to be aligned with regional and international initiatives such as the ASEAN Guide on AI Governance and Ethics.¹⁶ The 1st AI Governance and Ethics Working Group meeting (comprising members from government organisations, private sector organisations and academia) to draft the national guidelines was held on 11 June 2024.¹⁷

Hence, for the time being, businesses seeking guidance may refer to the ASEAN Guide on AI Governance and Ethics,¹⁸ released on 2 February 2024. The guide serves as a practical guide for organisations in the region that wish to design, develop, and deploy traditional AI technologies in commercial and non-military or dual-use applications.

5) Are there grants for companies to tap on to promote their use of AI?

There are no publicly available grants that are specifically targeted to promote the use of AI in Brunei Darussalam at the time of publishing of this guide.¹⁹

However, the Authority for Info-Communications Technology Industry of Brunei Darussalam ("**AITI**") has introduced the Productivity and Efficiency Joint-Funding for Digital Adoption ("**PENJANA**") Scheme, which is aimed at supporting local Micro, Small and Medium Enterprises ("**MSMEs**") in using digital solutions to improve their productivity, and enabling their business operations with digital capabilities to achieve internal efficiencies, cost reductions and better service offerings to stay competitive in the digital economy. Under the PENJANA Scheme, AITI will provide funding for local MSMEs in the form of subsidised subscription fees for the MSMEs to subscribe to packaged digital solutions pre-approved by AITI.²⁰

6) Which regulator oversees AI in Brunei Darussalam? Is there a dedicated regulator? What is the scope of the regulator's duties?

There is no dedicated regulator for AI in Brunei Darussalam at the time of publishing this guide. However, the AITI is responsible for the development of information and communications technology industry for Brunei Darussalam and aims to propel the nation towards achieving the vision of a Connected Smart Nation.²¹

¹⁶ As reported at <https://thescoop.co/2024/03/22/mtic-to-draft-guidelines-on-use-of-artificial-intelligence/>

¹⁷ As reported at <https://www.aiti.gov.bn/news/2024/artificial-intelligence-ai-governance-symposium/>

¹⁸ The ASEAN Guide on AI Governance and Ethics is accessible at https://asean.org/wp-content/uploads/2024/02/ASEAN-Guide-on-AI-Governance-and-Ethics_beautified_201223_v2.pdf

¹⁹ A list of fundings and financing available for businesses in Brunei Darussalam is accessible at <https://business.mofe.gov.bn/SitePages/Business%20Fundings.aspx> (accessed 28 June 2024)

²⁰ Details of the PENJANA scheme are accessible at <https://www.aiti.gov.bn/msme-digital/penjana-scheme-for-ict-vendors/>

²¹ Details of AITI's responsibilities are accessible at <https://www.aiti.gov.bn/about-us/who-we-are/>

On 11 June 2024, the AITI held the first AI Governance Symposium at the University Brunei Darussalam to raise awareness on the governance and ethical considerations arising from the use of AI.²²

7) How will liability arising from the use of AI be addressed in Brunei Darussalam?

There is no official guidance concerning how liability arising from the use of AI will be addressed in Brunei Darussalam at the time of publishing of this guide. However, we anticipate that Brunei's courts will apply existing legal principles (e.g. tort law and contract law), as well as any statutory remedies, when called on to determine liability arising from the use of AI.

8) What are the copyright laws applicable to the use of AI systems in Brunei Darussalam?

The Copyright Order 1999²³ ("**Copyright Order**") is the applicable copyright law in Brunei Darussalam.

In general, there are two salient copyright issues relating to AI use, concerning rights in relation to (i) training data and (ii) the output generated by the AI system. There have been no court decisions on the application of the Copyright Order to the training or the output of AI systems as at the time of publishing of this guide.

The first issue pertains to the legality of using copyrighted materials to train an AI system without obtaining permission from the copyright holder. Notably, the Copyright Order sets out limited circumstances under which the use of copyrighted works is permitted, none of which are specifically catered to the use of AI.

The second key copyright issue concerns the protection of AI-generated works, and whether copyright subsists in the output of AI systems. Section 11(3) of the Copyright Order states that "in the case of a literary, dramatic, musical or artistic work which is computer-generated, the author shall be taken to be the person by whom the arrangements necessary for the creation of the work were undertaken". This could potentially apply to the output of generative AI systems.

9) What are the personal data laws applicable to the use of AI systems in Brunei Darussalam?

The draft Personal Data Protection Order ("**PDPO**")²⁴ sets out obligations of private sector organisations with respect to the collection, use, disclosure or other processing of an individual's personal data, and the rights of individuals in relation to the processing of their personal data. It will thus apply to the use of personal data to train AI systems, as well as the processing of personal data by AI systems. Under the draft PDPO, key

²² As reported at <https://www.aiti.gov.bn/news/2024/artificial-intelligence-ai-governance-symposium/>

²³ The Copyright Order 1999 is accessible at https://www.agc.gov.bn/AGC%20Images/LAWS/Gazette_PDF/2000/EN/s014.pdf

²⁴ AITI, Public Consultation Paper On Personal Data Protection For The Private Sector In Brunei Darussalam (20 May 2021), accessible at https://www.aiti.gov.bn/media/jc4mhify/pcp_personaldataprotectionprivatesector_20052021_final3.pdf

obligations of organisations include obtaining consent from individuals to collect and use their personal data and making reasonable security arrangements to protect personal data.

The PDPO has yet to come into force at the time of publishing of this guide.

10) What are 3 things organisations deploying AI in Brunei Darussalam should note?

First, organisations should note that existing laws will apply to their use of AI systems. Second, organisations should prepare to adopt the AI guidelines that the AI Governance and Ethics Working Group is working on. In the absence of local guidelines at present, organisations can refer to the ASEAN Guide on AI Governance and Ethics. Third, organisations may wish to apply for grants to facilitate their adoption of AI solutions.

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CAMBODIA

3. CAMBODIA

1) Has Cambodia released any national AI strategy?

No. Cambodia has not released a National AI Strategy although it plans to do so. According to the Ministry of Industry, Science, Technology and Innovation's AI Landscape Report, one of the planned National AI Strategy's main objectives will be to cultivate skilled personnel and employ AI solutions to deal with critical national focus areas that will have an impact on Cambodia's socio-economic status.

In other words, Cambodia's AI strategy will be tailored to its unique landscape. For instance, investments in AI could be focused on pivotal sectors such as agriculture, healthcare, transportation, and education, initially.

Over time, the priority should shift to developing fundamental and advanced research, promoting high-level AI research and innovation, and establishing Cambodia's standing in advanced technology on a global scale.

2) Are there any laws targeting the use of AI in Cambodia? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Cambodia does not have legislation that focuses on the direct use of AI although several sectoral laws could be relevant to AI matters. For example, although there are no specific laws that govern the inclusion of certain references in generative AI outputs, the Government issued an internal regulation in 2018 to regulate website content and social media content by authorizing several Ministries to work together to take actions against any online content causing any chaos in society that threatens national defense, national security, relations with other countries, national economy, public order, discrimination, culture, or Cambodian traditions; or provokes any enmity, breaking national solidarity, discrimination, intentionally creates unrest that threatens national security, public interests, and social orders, etc.²⁵ The E-commerce law also contains provisions on protection of consumer data gathered through electronic communication.²⁶

Currently, Cambodia is working towards developing a national AI regulation and guidelines. This effort involves a multi-ministerial committee including the Ministry of Industry, Science, Technology and Innovation, Ministry of Post and Telecommunication, and Ministry of Education, Youth and Sport. The focus is on safeguarding citizens' privacy and ensuring the ethical development of AI applications. Further, according to the Cambodia Digital Government Policy 2022-2035, the Government plans to develop policy to promote the development of

²⁵ Joint-Prakas No. 170 on the Management of Advertisement on Website and Social Network on the Internet is accessible at https://data.opendevelopmentmekong.net/dataset/d3c74cc8-3aaa-4b5f-b0ca-3ede7aeb1b12/resource/112a2521-dde1-4079-9294-5786d3ffdaf9/download/prakas_no_170_en_28.05.2018.pdf.

²⁶ The Law On Electronic Commerce is accessible at <https://commerce-cambodia.com/wp-content/uploads/2021/06/eCommerceLawEN.pdf>.

important digital technologies, to lay down principles, standards, frameworks, and mechanisms for promoting the development and use of leading digital technologies, such as cloud technology, AI, Big Data, Internet of Things, and blockchain.²⁷

3) To date, are there any judicial decisions concerning the use of AI in Cambodia?

No. As of now, there are no known judicial decisions in Cambodia specifically addressing the use of AI (we note that judicial decisions are not published in Cambodia or a matter of public record). Cambodia is in the early stages of adopting AI technologies, and much of the current efforts are focused on building capacity and infrastructure to support AI deployment before being able to deal with legal disputes arising from its use.

4) What are some key AI guidelines released in Cambodia?

Cambodia has not released any guidelines to support the development of AI. However, according to the Ministry of Industry, Science, Technology and Innovation's AI Landscape Report, the Cambodian Government plans to develop guidelines by a multi-ministries committee that consists of Ministry of Industry, Science, Technology & Innovation; Ministry of Post and Telecommunication and Ministry of Education, Youth and Sport.

These guidelines require harmonizing existing laws and creating new data protection laws. The committee should also oversee the proper incorporation of ethics and privacy measures in AI development to ensure compliance with best practices.

5) Are there grants for companies to tap on to promote their use of AI?

No. Currently, there are no grants in any form to promote the use of AI by companies. Despite this lack, the Ministry of Industry, Science, Technology and Innovation's AI Landscape Report provides strategic directions to implement grants for development of AI in the years to come. These directions include providing incentives and funds for AI Research and Development through Ministry of Youth and Education. These funds would be implemented for supporting research fundamentals, innovation research, and flagship projects to ensure sustainable benefits through educational institutions, industrial and international organizations.

6) Which regulator oversees AI in Cambodia? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

In Cambodia, there is no single dedicated AI regulator. Instead, the oversight and regulation of AI falls under multiple ministries, each handling different aspects of AI development and implementation. For example, matters related to AI could fall under the purview of the Ministry of Commerce, which is responsible for electronic commerce and

²⁷ The Cambodia Digital Government Policy, 2022-2035 is accessible at https://asset.cambodia.gov.kh/mptc/media/Cambodia_Digital_Government_Policy_2022_2035_English.pdf.

trademarks, the Ministry of Culture and Fine Arts, which is responsible for copyrights, the Ministry of Industry, Science, Technology and Innovation, which is responsible for patents, the Ministry of Post and Telecommunication, which is responsible for personal data protection, and the Ministry of Interior, which is responsible for cybercrime. According to the Ministry of Industry, Science, Technology and Innovation's AI Landscape Report, a multi-ministerial committee to develop and oversee AI regulations and guidelines will be established. This committee will compose of Ministry of Industry, Science, Technology and Innovation, Ministry of Education, Youth and Sport, and Ministry of Post and Telecommunications. Therefore, its scope of duties shall include new data protection laws, ensuring ethical and responsible AI development and overseeing the implementation of AI policies.

7) How will liability arising from the use of AI be addressed in Cambodia?

Considering the lack of formal perspectives addressed by the Government of Cambodia at present, it is highly speculative to try establishing how liability arising from the use of AI will be addressed.

Article 24 of the Criminal Code states that individuals shall only be criminally liable for their own conduct. Thus, the direct involvement of a natural person in the breach and fulfilment of any applicable *mens rea* requirement would likely be required before individual liability is triggered. That seems to suggest that an AI developer would only be held liable if he is the one directly conducting the infringement or generating the infringing content.

However, it is conceivable that a court would deem that the AI developer's feeding of information to AI is the catalyst that leads to the infringement or illegal content generated by AI and thereby will be held liable.

8) What are the copyright laws applicable to the use of AI systems in Cambodia?

Copyright in Cambodia is protected under the Law on Copyright and Related Rights dated March 5, 2003. However, this predates the current AI landscape and so creates a grey legislative area.

Whilst there are no specific laws that apply to the use of protected works for AI training purposes, there is still the risk that using copyright protected work without prior consent from the rightsholder would result in copyright infringement.

As for the ownership, Articles 2 and 4 of the Law on Copyright and Related Rights require human authorship in order for work to be protectable.²⁸ Therefore, there is also a risk that work generated by AI will not be protected as copyright.

²⁸ The Law on Copyright and Related Rights is accessible at https://www.cambodiaip.gov.kh/wp-content/uploads/DocResources/2536fcc7-e801-4855-a157-a8de52f77008_c786a043-b88d-4f64-9429-60a330efdc5f-en.pdf

9) What are the personal data laws applicable to the use of AI systems in Cambodia?

As of June 2024, Cambodia has not yet enacted any comprehensive data protection legislation. While there is no comprehensive data protection law specifically targeting AI, the regulatory landscape on data protection is shaped by various existing laws, including the Constitution, the Civil Code, the Criminal Code, and other specific laws such as the E-Commerce Law and the Banking Law.

10) What are three things organisations deploying AI in Cambodia should note?

First, organisations should ensure that their AI development process is well-documented so that it is easier to discuss and respond to any regulatory inquiries as well as to defend against any liability when needed.

Second, organisations should ensure their compliance with local regulations of various sources. Considering there is no harmonized legislation or regulations relating to AI, private activities related to it are subject to various laws, sub-decrees, and ministerial orders.

Third, compliance with local regulations should also include monitoring for new regulations, standards and policies. Cambodia is moving forward with new standards in data protection, data privacy and ethics. Organisations should adhere to ethical guidelines for AI development as soon as they are enacted.

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INDONESIA

4. INDONESIA

1) Has Indonesia released any national AI strategy?

In November 2023, the Indonesian government expressed support for AI development in Indonesia and acknowledged potential risks such as misinformation affecting public opinion.²⁹ In 2020, the Indonesian government issued the National Artificial Intelligence Strategy for 2020-2045 ("**Indonesian National AI Strategy**").³⁰ This strategy provides a national policy framework and guidance for ministries, institutions, regional governments, and other stakeholders involved in artificial intelligence activities in Indonesia. The strategy focuses on AI development in five main sectors: health, bureaucracy reform, education and research, food security, and mobility and smart cities.

2) Are there any laws targeting the use of AI in Indonesia? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Indonesia currently does not have any specific laws governing the use of AI. However, Indonesia has several existing laws which can, to some extent, apply to the use of AI systems, such as Law No. 27 of 2022 on Personal Data Protection ("**PDP Law**"), and Law No 11 of 2019 on the National System on Education and Technology.

In addition to the above, Indonesian Minister of Informatics and Communication ("**MOCI**") issued MOCI Circular Letter No. 9 of 2023 on Ethics on Artificial Intelligence ("**CL 9/2023**") which provides (i) definition of AI, (ii) ethics in implementing AI, and (iii) responsibilities attached to the implementation of AI.

3) To date, are there any judicial decisions concerning the use of AI in Indonesia?

As of the date of this guide's publication, there have been no judicial decisions involving artificial intelligence in Indonesia.

4) What are some key AI guidelines released in Indonesia?

According to the Indonesian National AI Strategy, specific regulations and policies on AI will be based on the following ethical values:

a) Welfare of humanity

(i) Humans as supervisors: supervision can be carried out through mechanisms such as:

- Human-in-the-loop (HITL): the ability of human intervention in each decision cycle of an artificial intelligence system.

²⁹ As reported by Kominfo at <https://aptika.kominfo.go.id/2023/11/sekjen-kominfo-penggunaan-ai-harus-sesuai-dengan-nilai-etika-di-indonesia/>

³⁰ The Indonesian National AI Strategy is accessible at <https://ai-innovation.id/images/gallery/ebook/stranas-ka.pdf>

- Human-on-the-loop (HOTL): the ability of human intervention during the system design cycle and monitoring system operations.
 - Human-in-command (HIC).
- (ii) Technical security: AI systems must be developed with a preventive approach to risk, minimizing unintentional and unforeseen dangers, and protecting against vulnerabilities, to prevent negative exploitation. Also, AI systems must have a contingency plan to address problems if they occur.
- (iii) Data governance and security: AI systems must guarantee data privacy and protection, accompanied by data protocols (to regulate data access). By paying attention to the ability of AI to learn independently, the quality and integrity of data must also be maintained and protected.
- (iv) Transparency: Decisions made by AI must be understandable, clear and traceable by humans. In other words, AI systems must be identifiable by humans.
- (v) Social and Environment Welfare: The development of AI must be directed toward achieving sustainable development goals, namely harmony between environmental sustainability and development that can meet basic needs, improve living standards for all, and create a protected ecosystem.
- (vi) Diversity, Non-discrimination, and Justice: To ensure trustworthy AI, there must be a focus on inclusion and diversity throughout the lifecycle of AI systems, which must be user-centered and designed in a way that allows everyone to use AI products or services.
- b) Core values of Pancasila (Indonesia's state ideology)
- The development of AI must be based on the values of Indonesia's foundational philosophy Pancasila, which covers the five principles of belief in one God, just and civilized humanity, unity, democracy guided by representatives, and social justice.
- c) Reliable, safe and open, and accountable
- For AI to generate public trust and be accountable, it must prioritize safety, ensuring that AI systems can be tested and used without threatening safety and human rights.
- "Open" means that the development of AI must be known by the government and society to ensure that AI is safe to use and can be trusted. In other words, there must be transparency from developers regarding the development of AI, so that AI systems can be held accountable by their developers. AI systems should also be consistently accessible or have a minimum service level agreement.

d) Synergy among stakeholders

Collaboration between government, society and business in the field of AI is vital to ensure that government policies are effectively implemented in society. This synergy should also support the development of AI research and foster business activities related to AI, assisted by technological and business innovations from business entities.

In more concrete terms, the Indonesian government aims to establish regulations that specifically address:

- (i) AI technology, including automatic decision-making, and face recognition.
- (ii) Implementation of technology in business sectors such as finance, health, and human resources.
- (iii) Criminal and civil liability related to the unintentional use of AI.
- (iv) Ethical codes of conduct to be issued by an association of AI businesses.

Furthermore, the Indonesian government is considering formalizing the Indonesian National AI Strategy into a Presidential Regulation. It also plans to establish an ad hoc data ethics council responsible for guiding national policy and ensuring that AI development is in line with the national strategy and interests.

In addition to the above, CL 9/2023 also provides that the following are the ethical values in the implementation of AI:

(i) Inclusivity

The implementation of AI needs to pay attention to the values of equality, justice and peace in producing information and innovation for the common good.

(ii) Humanity

The implementation of AI needs to pay attention to human values by continuing to protect human rights, social relations, beliefs held, and opinions or thoughts of each person.

(iii) Security

The implementation of AI needs to pay attention to the security aspects of users and the data used in order to maintain privacy, personal data, and prioritize the rights of electronic system users so that no party is harmed.

(iv) Accessibility

The implementation of AI is inclusive and non-discriminatory. Every user has the same rights in accessing AI-based technology for their interests while maintaining the applicable AI ethical principles.

(v) Transparency

The implementation of AI needs to be based on transparency of the data used to avoid misuse of data in developing technological innovation. Business actors and electronic system providers can provide access to users who have the right to know about data management in the development of AI-based technology.

(vi) Credibility and accountability

The implementation of AI needs to prioritize the ability to make decisions from the information or innovation produced. Information generated through AI must be trustworthy and accountable when distributed to the public.

(vii) Personal data protection

Implementation of AI must ensure the protection of personal data in accordance with statutory provisions.

(viii) Sustainable Development and Environment

The implementation of AI carefully considers the impact on humans, the environment and other living creatures, to achieve sustainability and social welfare.

(ix) Intellectual Property

The implementation of AI is subject to the principles of protection of intellectual property rights in accordance with statutory provisions.

5) Are there grants for companies to tap on to promote their use of AI?

There are no grants specifically given for companies to promote their use of AI.

6) Which regulator oversees AI in Indonesia? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

There is currently no dedicated regulator that oversees AI in Indonesia. However, the Indonesian government plans to establish a national AI and data ethics committee, which is likely to oversee the use of AI in society.

7) How will liability arising from the use of AI be addressed in Indonesia?

We anticipate that Indonesian courts will apply general/existing legal principles, such as tort law and contract law, as well as any statutory remedies, when called on to determine liability arising from the use of AI. However, considering the Indonesian National AI Strategy, we can expect

that the Indonesian government will also explore potential criminal liability related to the use of AI.

8) What are the copyright laws applicable to the use of AI systems in Indonesia?

The current applicable copyright law in Indonesia (namely Law No. 28 of 2014 on Copyright -“**Copyright Law**”) does not have any specific provisions on AI. However, it includes exemptions that analogically may be related to the implementation of AI, such as exemptions related to the fair use principle. For instance, using, duplicating and/or modifying a copyrighted work or related rights product in whole or in substantial part is not considered a violation of copyright if the source is stated or included in full. This exemption applies to purposes such as education, research, writing scientific papers, preparing reports, writing criticism or reviewing a problem, provided it does not unduly harm the reasonable interests of the creator or copyright holder.

9) What are the personal data laws applicable to the use of AI systems in Indonesia?

The current applicable personal data law in Indonesia does not have any specific provisions on AI, it does however impose strict obligations on personal data controllers to obtain prior written consent from data subjects before processing their personal data, including collection, use, disclosure.

Moreover, the PDP Law includes a provision that may relate to the implementation of AI, particularly regarding automatic decision-making based on a data subject's personal data. Under this provision, a data subject may file a complaint if an automatic decision results in significant or legal consequences based on data processing.

Although the PDP Law is silent on whether this provision also applies to automatic decision-making based on AI, we believe that this provision should apply because the PDP Law does not limit the methods of automatic decision-making covered by this provision.

10) What are 3 things organisations deploying AI in Indonesia should note?

While there are currently no regulations imposing obligations on organisations using AI in Indonesia, those deploying AI should consider the following actions:

- a) Complying with the ethical values of AI utilization under the Indonesian National AI Strategy and CL 9/2023. For example, by implementing the HITL, HOTL, and/or HIC supervisory mechanisms as well as the ethical values to keep their AI systems in check.
- b) Establishing a code of ethics or code of conduct in AI use to mitigate the risk of violating third-party rights, such as copyright. Given the absence of specific regulations on AI in Indonesia, we believe it would be prudent for organisations to work closely among

themselves or with regulators and other stakeholders to engage in public discussions to anticipate future AI regulations and policies.

- c) Maintaining comprehensive documentation of the AI development process to ensure the AI is safe to use, reliable and accountable. This documentation could cover: **(i)** which data was used in AI development (sources, update frequency); **(ii)** processes leading to AI systems' predictions, recommendations or outputs; and **(iii)** the risks associated with AI systems and mitigation measures.
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MALAYSIA

5. MALAYSIA

1) Has Malaysia released any national AI strategy?

Malaysia's Ministry of Science, Technology, and Innovation ("**MOSTI**") initiated the National Artificial Intelligence Roadmap 2021–2025 ("**AI Roadmap**") as a national strategy on AI, with the goal of cultivating an enduring AI ecosystem in Malaysia that supports employment, innovation, competitiveness and growth by 2025. MOSTI has been entrusted with, amongst others, establishing AI governance for AI, promoting research and development in the AI domain, and augmenting digital infrastructure to facilitate the integration of AI. The AI Roadmap contains the Seven Principles of Responsible AI, which is a guideline for the development of trusted and responsible AI that can further protect the rights and privacy of individuals.

The AI Roadmap's strategy relies on fostering a quadruple helix partnership, comprising the government, academia, industry, and society to propel collaborative progress.³¹ This approach aims to facilitate the effective implementation of AI by providing a structured framework for sharing data resources. The AI Roadmap aims to spearhead the development of the country's AI ecosystem by focusing efforts on 11 national AI use cases in five priority areas: agriculture and forestry, healthcare, smart cities and transport, education and public services.

2) Are there any laws targeting the use of AI in Malaysia? Or is it covered by existing laws regulating the product/service that AI is embedded in?

At the time of writing, Malaysia has not enacted specific legislation that specifically targets the use of AI. Existing laws relating to data protection, intellectual property, contract, employment, product liability and computer crimes may similarly apply to AI, though its complexity and applicability might give rise to debate. For example, in the context of copyright laws, as is often the case with AI, computer programs are involved in the creation of products or processes, which has given rise to issues concerning their creation and ownership as regards intellectual property laws, including patent and copyright.

Beyond legislation, MOSTI is establishing a set of AI governance and code of ethics and government for AI, in conjunction with Universiti Teknologi Malaysia, representatives from government agencies, higher education institutions and industry participants. The code of ethics and governance is expected to form the foundation for AI regulations in the country. However, to date, the aforesaid code of ethics is yet to be issued.

The Minister of Science, Technology, and Innovation also revealed that MOSTI is actively evaluating the need for creating an AI legal framework and legislation governing AI. One of the areas of regulation that MOSTI is looking into revolves around the labelling of products generated by generative AI, with a focus on designating them as either 'AI-generated'

³¹ The AI Roadmap is accessible at <https://mastic.mosti.gov.my/mosti-related-policies/artificial-intelligence-roadmap-2021-2025>

or 'AI-assisted'. Nevertheless, as of now, no concrete developments or actions have transpired beyond this announcement.

3) To date, are there any judicial decisions concerning the use of AI in Malaysia?

There are no judicial decisions involving artificial intelligence at the time of writing.

4) What are some key AI guidelines released in Malaysia?

There has been an advisory document titled "ChatGPT and Security Best Practices" outlining best practices in using ChatGPT, issued by the Malaysia Computer Emergency Response Team, which is at the time of writing, operating under CyberSecurity Malaysia placed under the Ministry of Digital. It delves into topics encompassing security concerns, privacy considerations and the potential misuse of ChatGPT.³² Furthermore, the Malaysian Qualifications Agency has issued an advisory note on the use of generative AI in higher education.

The advisory note recommends that educational institutions establish explicit guidelines for both academic staff and students concerning the utilisation of generative AI applications in teaching, research and scientific writing. Additionally, institutions are urged to consistently monitor and reassess policies, guidelines and practices pertaining to the application of generative AI. This ongoing review process is essential for enhancing academic quality and reinforcing management frameworks.³³

5) Are there grants for companies to tap on to promote their use of AI?

The Malaysia Digital Catalyst Grant ("MDCG") is an example of a grant provided by the Malaysia Digital Economy Corporation ("MDEC"), the lead agency in driving digital economy in Malaysia under the Ministry of Digital. While it is not a specific grant solely promoting AI use, the MDCG is designed to catalyse the use and development of disruptive and innovative sustainable solutions within the Malaysia Digital Promoted Sectors. The MDCG provides up to 50% of the total project cost for locally owned companies, and up to 30% of the total project cost for foreign owned companies, both of which are subject to a cap of RM1,000,000.³⁴

Aside from the MDCG, the MDEC also offers a set of incentives, rights and privileges from the Government, subject to necessary approvals, compliance of applicable conditions, laws and regulations to companies which obtained the Malaysian Digital Status.³⁵

³² The "ChatGPT and Security Best Practices" is accessible at <https://www.mycert.org.my/portal/advisory?id=MA-912.022023>

³³ The advisory note on the use of generative AI in higher education is accessible at <https://www.mqa.gov.my/new/document/2023/edited/MQA%20Advisory%20Note%20No.22023-%20AI%20Generatif.pdf>

³⁴ Information on MDCG is accessible at <https://mdec.my/grants/mdcg>

³⁵ Information on MSC Status is accessible at <https://mdec.my/malaysiadigital/apply>

6) Which regulator oversees AI in Malaysia? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

At the time of writing, there has yet to be a regulator which specifically oversees AI in Malaysia. However, MOSTI aims to create a specialised Policy and Regulation Committee with a specific focus on overseeing AI. This committee will be entrusted with the review of existing laws, policies, regulations and guidelines, as well as issuing standards for the responsible development of AI in Malaysia, including the implementation of Risk Management Systems by 2024.

The Policy and Regulation Committee will form part of the AI Coordination and Implementation Unit, which will be the central hub for all things related to AI. The Minister of Science, Technology and Innovation also announced that the National Standards and Accreditation Body has established a National Mirror Committee to draft national AI standards. It was said that the committee comprised officials from the ministry, agencies, academia and industry participants and was chaired by MOSTI's applied research and development unit. However, it remains to be seen on how and by whom the laws, policies and standards would be enforced at this early stage of developing AI governance, as the current focus is mainly on drafting and implementation.

A rethinking of the roles and functions of existing government entities, research institutes and organisations related to AI is also anticipated in the years to come. Nevertheless, in the context of capital market, the Securities Commission, which is the Malaysian capital market regulator, has, in recent years, begun addressing the impact of AI in the realm of capital markets, particularly robo-investing or innovative technology employed in the context of investment by digital investment management companies, including algorithms.

7) How will liability arising from the use of AI be addressed in Malaysia?

At the time of writing, there is no specific legislation to address the liability for personal injury or commercial harm resulting from AI-enabled technologies. Nevertheless, according to the AI Roadmap, the government has plans to establish an AI Coordination and Implementation Unit responsible for prioritising foundational aspects of the AI-driven digital governance structure and measures, including policy, regulation, standards and guidelines.

From a consumer protection perspective, AI-related products and services may be regarded as consumer products. The principal laws for consumer protection in Malaysia are the Sale of Goods Act 1957 and the Consumer Protection Act 1999. Based on the foregoing, AI-related products and services must then comply with statutorily required guarantees and conditions in relation to title, quality, fitness and price. In the context of contractual liabilities, per the general principles enshrined in the Contracts Act 1950, a contract is formed when the essential elements to form a contract, such as offer, acceptance, consideration and intention to create legal relations are met. Based on the foregoing, AI-based contracts may potentially be enforceable under

the Contracts Act 1950 if the elements to form a valid contract are satisfied, provided there are no vitiating factors to render the contract void or voidable. From a tort law perspective, in the event that the AI technologies harm the interest of individuals, the proprietor of the AI technologies ought to be liable.

Further, the AI developers, manufacturers, or even users of the technologies may be held liable as well.

8) What are the copyright laws applicable to the use of AI systems in Malaysia?

The Copyright Act 1987 is the applicable copyright law in Malaysia. One salient copyright issue would be concerning the protection of AI-generated works. While Malaysian court rulings have considered that the term “author” under section 3 of the Copyright Act 1987 could encompass a body corporate (i.e. the organisation that used AI systems), in addition to natural persons, the other provisions of the Copyright Act 1987 may not seem to align with this interpretation. For instance, the duration of copyright for literary, artistic, and musical works extends for 50 years after the author's death.

This inherently implies that authors in relation to such types of works would need to be natural persons who would be capable of exercising a certain level of skill, judgment, or effort. Moreover, the human element input when works are generated through AI is arguably confined to the input of ideas or concepts (i.e., input, descriptions or instructions by the user, which are not protectible by copyright) and not the ultimate expression of the work generated by the AI. For these reasons, it seems improbable that AI could be deemed the author of its creations, nor would the human users whose input may simply be confined to ideas or concept.

Therefore, it is arguable that copyright protection may not apply to AI-generated works. While the issue on ownership of AI-generated works has yet to be challenged in Malaysia, the current legal framework as it stands suggests that such creations may not meet the criteria for copyright protection in Malaysia.

Further, another issue would be regarding the infringement of copyrighted works. As stipulated under Section 36(1) of the Copyright Act 1987, copyright infringement occurs when a person, without the copyright owner's consent, performs an act subject to copyright protection under the Copyright Act 1987, or causes another person to do so. In this context, in the event copyrighted works are reproduced for training the AI systems, such use could be argued to have potentially infringed copyright for the works.

9) What are the personal data laws applicable to the use of AI systems in Malaysia?

AI usage generally requires collection and processing of personal data. The personal data laws applicable to the use of AI systems in Malaysia primarily revolve around the Personal Data Protection Act 2010 (“PDPA”). The PDPA was created with the aim of regulating the processing of personal data in commercial transactions.

In order for data processed by AI systems to fall within the purview of the PDPA, such data must be information in respect of a commercial transaction which (i) is being processed wholly or partly by means of equipment operating automatically in response to instructions given for that purpose; (ii) is recorded with the intention that it should wholly or partly be processed by means of such equipment; or (iii) is recorded as part of a relevant filing system or with the intention that it should form part of a relevant filing system. Further, such data must relate directly or indirectly to an individual, who is identified or identifiable from that information or from that and other information in the possession of a person who processes the personal data, including any sensitive personal data. The PDPA sets out seven Personal Data Protection Principles with which a data user must comply; therefore, personal data processed by a data user using AI will nevertheless have to be processed in accordance with such principles. Take the general principle (which generally requires consent as a condition for processing) as an example.

This likely means that the data user must ensure that the AI used will not process personal data beyond the scope of the data subject’s consent. Other principles relating to security and integrity of personal data are also of direct relevance where AI is used to process personal data. Compliance with the PDPA will likely minimise exposing the data user to liabilities when using AI to process personal data.

10) What are three things organisations deploying AI in Malaysia should note?

While Malaysia may not have specific legislation addressing AI as of now, existing laws and regulations still apply. Organisations deploying AI must ensure compliance with relevant laws such as data protection regulations, consumer protection laws and laws governing intellectual property rights, liability, and accountability. In this regard, clear documentation of AI systems’ decision-making processes can always help demonstrate compliance and accountability. Further, ethical concerns surrounding AI deployment are paramount, especially regarding algorithmic bias.

Organisations should ensure that AI systems do not perpetuate or exacerbate existing biases, particularly concerning race, gender, or socioeconomic status. This requires thorough testing and validation of algorithms to identify and mitigate biases during development and deployment phases. Additionally, continuous monitoring and auditing of AI systems can help identify and address any biases that may arise over time.

Moreover, it is crucial for organisations deploying AI in Malaysia to heed the ASEAN Guide on AI Governance and Ethics. This comprehensive resource offers invaluable guidelines and best practices for fostering responsible and ethical AI development and deployment. By embracing the insights provided in the guide, organisations can fortify their AI governance frameworks, ensuring they align seamlessly with regional standards and principles. This proactive approach not only enhances regulatory compliance but also fosters trust and credibility within the ASEAN community and beyond.

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MYANMAR

6. MYANMAR

1) Has Myanmar released any national AI strategy?

Myanmar has not yet released any national AI strategy. However, as globe trends evolve, we anticipate that Myanmar may consider adopting AI strategies in the near future.

2) Are there any laws targeting the use of AI in Myanmar? Or is it covered by existing laws regulating the product/service that AI is embedded in?

At present, Myanmar does not have a specific law governing the use of AI. Instead, all AI-related matters is regulated under the broader scope of existing laws that apply to the larger product or service incorporating AI. The only law in the context of AI in digital communications and transactions is the Electronic Transactions Law.

3) To date, are there any judicial decisions concerning the use of AI in Myanmar?

To date, there have been no judicial decisions concerning the use artificial intelligence in Myanmar.

4) What are some key AI guidelines released in Myanmar?

As of now, no AI guidelines have been released in Myanmar.

5) Are there grants for companies to tap on to promote their use of AI?

Myanmar does not currently have specific grants dedicated to promoting the use of AI for companies.

6) Which regulator oversees AI in Myanmar? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

Currently, there is no dedicated AI regulator in Myanmar given that no specific laws or guidelines regarding the use of AI exist in the jurisdiction. The regulatory landscape for AI falls under the broader scope of existing laws that govern digital communications and transactions, such as the Electronic Transactions Law.

7) How will liability arising from the use of AI be addressed in Myanmar?

In Myanmar, there are no dedicated AI liability laws currently in place.

8) What are the copyright laws applicable to the use of AI systems in Myanmar?

The Copyright Law of 2019 governs copyright issues in Myanmar. However, it does not specifically address the use of AI systems. The law prohibits the use of any kind of literary or artistic work without the permission of the right holder for business purposes. Additionally, it

forbids the removal or alteration of any electronic rights management information without the consent of the right holder.

The law permits the use of quotations from a part of a published work that has already been lawfully made available to the public, without permission from the right holder, subject to the quotation being accompanied by an indication of the source and the name of the right holder.

9) What are the personal data laws applicable to the use of AI systems in Myanmar?

Currently, there are no specific personal data laws applicable to the use of AI systems in Myanmar.

10) What are three things organisations deploying AI in Myanmar should note?

As AI is a relatively new field in Myanmar, there is currently no specific legal framework or regulations governing its deployment. Organisations should ensure compliance with existing laws that may indirectly apply to AI, such as the Electronic Transactions Law.

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An aerial photograph of a coastal city in the Philippines, overlaid with a dark blue filter. The image shows a wide highway with multiple lanes running parallel to a rocky shoreline. A long, straight concrete pier or breakwater extends from the shore into the sea. In the background, a dense urban skyline with various high-rise buildings is visible under a cloudy sky. The word "PHILIPPINES" is written in large, white, serif capital letters across the center of the image.

PHILIPPINES

7. PHILIPPINES

1) Has the Philippines released any national AI strategy?

Yes, the Philippines has a national AI strategy.

In May 2021, the Philippine Government, through the Department of Trade and Industry (DTI), launched the National AI Strategy Roadmap (the Roadmap)³⁶ “to establish the Philippines as an AI Center of Excellence in the region backed by the country’s rich local talent pool and vibrant innovation and entrepreneurship ecosystem.” Specifically, the Roadmap aims to: (1) maintain the regional and global competitiveness of local industries noting that AI is one of the biggest drivers of innovation for enterprises, (2) identify key areas for investing time and resources, (3) recommend ways for effectively fostering a triple-helix (government-industry-academe) R&D collaboration essential to national development, (4) suggest approaches for preparing the future workforce for the jobs of the future, and (5) attract the world’s leading firms to set shop in the country, thus generating more jobs for Filipinos.³⁷

The Roadmap focuses on four strategic dimensions:

- a) *Digitization and infrastructure*: Build a robust connected and networked environment; data accessibility to be improved, and cross-sector data utilization to be supported as it powers AI.
- b) *Workforce development*: Transform education and nurture future AI talents; upskill and reskill workforce.
- c) *Regulation*: Intellectual property laws and data protection laws to be strengthened to address potential ethical concerns on the use of both data and AI.
- d) *Research and development*: Fortify understanding of AI technology and contribute to the global body of AI knowledge; improve the immediate recruitment of international talent and enhancement of international collaboration to increase international visibility; invest in AI R&D on strategic areas where the Philippines can perform well and compete globally.

2) Are there any laws targeting the use of AI in the Philippines? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Currently, the Philippines does not have comprehensive legislation specifically regulating the use of AI similar to the *EU Artificial Intelligence Act*. Existing broad-based and technology-agnostic laws may however apply to the use of AI systems. These include the *Data Privacy Act of*

³⁶ The National AI Roadmap is accessible at <https://innovate.dti.gov.ph/resources/roadmaps/artificial-intelligence/>.

³⁷ The public announcement of the National AI Roadmap is accessible at <https://dtiwebfiles.s3-ap-southeast-1.amazonaws.com/e-library/Main+Publications/What's+Up/2021/What's+Up+No.+13.pdf>.

2012 (DPA), the *Intellectual Property Code* (IP Code), and the *Cybercrime Prevention Act of 2012* (CPA).

In addition, various laws have been enacted in response to the rapid acceleration of digitalization and advances in technologies, declaring as State policy fostering innovation as a vital component of national development and sustainable economic growth.

One notable law is the *Philippine Innovation Act*. With the objective of generating and scaling up action in all levels and areas of education, training, research and development towards promoting innovation and internationalization activities of Micro, Small and Medium Enterprises (MSMEs) as driver of sustainable and inclusive growth, the law provides for, among others:

- a) the establishment of the National Innovation Council tasked to develop the Philippines' strategic vision for innovation and long-term innovation goals and priorities, including the development of the National Innovation Agenda and Strategy Document which will identify priority areas of innovation;
- b) the development of a support program for the promotion of MSME internationalization and participation in the local and global value chains; and
- c) encouragement and support for the establishment of innovation centers and business incubators, in partnership with the private sector, the academe, and R&D institutions.

Another notable law is the *Digital Workforce Competitiveness Act*, which mandated several administrative agencies as an Inter-Agency Council to formulate policies and programs to ensure that the Filipino workforce has the necessary digital skills and competencies, and to encourage digital innovations and entrepreneurship, which inevitably includes the use of AI.

Several bills regulating AI are also pending in Congress, among which is House Bill No. 9448. The bill seeks to regulate the use of AI in the workplace as an administrative tool or part of process workflow, and prohibits replacing human workers with AI, subject to certain exceptions.

3) To date, are there any judicial decisions concerning the use of AI in the Philippines?

The Supreme Court of the Philippines has not yet issued any judicial decision involving the use of AI in the country.

4) What are some key AI guidelines released in the Philippines?

There is currently no specific set of AI guidelines of general application released in the Philippines. From a data protection perspective, however, the National Privacy Commission (NPC) through Advisory Opinion No. 2024-002 dated 19 January 2024 issued general guidance on the use of

AI in the processing of personal information and to improve correspondences and communication.³⁸

5) Are there grants for companies to tap on to promote their use of AI?

Adoption of AI may qualify for grants under the following:

- a) Startup Grant Fund (SGF) of the Department of Information and Communications Technology (DICT).³⁹ To foster an innovative entrepreneurial culture in the country, the Innovative Startup Act provides for incentives to encourage the establishment and operation of innovative new businesses. To this end, the DICT provides for the SGF in an amount ranging from PHP500,000 to PHP1 million, to support ICT startups that deal with digital systems, applications, websites, and other similar or related services.
- b) National Economic and Development Authority (NEDA) Innovation Fund.⁴⁰ The Philippine Innovation Act recognizes the importance of fostering innovation as a vital component of national development and sustainable economic growth. Pursuant to the Philippine Innovation Act, the NEDA provides for the Innovation Fund to support the implementation of new or existing innovation-related programs, activities, and projects in an amount not exceeding PHP5 million.

6) Which regulator oversees AI in the Philippines? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

While there is currently no dedicated regulator overseeing the use of AI within the Philippines, sectoral regulators may exercise jurisdiction depending on the matter involving AI.

For instance, Internet Service Providers (ISP) in the Philippines may be directed by the National Telecommunications Commission (NTC) to block certain websites under particular circumstances. The Intellectual Property Office of the Philippines (IPOPHL), pursuant to Memorandum Circular No. 2023-015 or the Rules on Voluntary Administrative Site Blocking, can request from the NTC and/or ISPs to block access of its users to certain websites which have a primary purpose or effect of infringing upon the intellectual property rights of a copyright owner.

The NPC may likewise exercise a certain range of authority should the use of AI involve or infringe upon personal information and data subject rights.

7) How will liability arising from the use of AI be addressed in the Philippines?

Notwithstanding the absence of a specific regulatory framework for AI, it is likely that courts will apply general principles of law (under existing civil,

³⁸ Advisory Opinion No. 2024-022 is accessible at <https://privacy.gov.ph/wp-content/uploads/2024/01/Advisory-Opinion-No.-2024-002.pdf>

³⁹ The Startup Grant Fund Guidelines is accessible at <https://dict.gov.ph/wp-content/uploads/2023/03/DC-001-s.-2023-Startup-Grant-Fund-Guidelines.pdf>.

⁴⁰ The Guidelines on the Innovation Fund is accessible at https://eigis-innovation.neda.gov.ph/resources/NEDA_DBM_JMC_No_2023_01.pdf.

contract and penal laws) in determining liability arising from AI use. Depending on the legal issue involved, liabilities arising under special laws (such as the CPA, IP Code and DPA) may likewise apply.

8) What are the copyright laws applicable to the use of AI systems in the Philippines?

The IP Code provides for the law on copyright.

AI systems necessarily take the form of code or a computer program and may be the subject of copyright registration and protection. The IP Code defines a “computer” as an electronic or similar device having information-processing capabilities, and a “computer program” as a set of instructions expressed in words, codes, schemes or in any other form, which is capable when incorporated in a medium that the computer can read, or causing the computer to perform or achieve a particular task or result.⁴¹

Ownership of a copyright, as a general rule, belongs to the creator. However, by way of exception (1) where an employee creates a work during and in the course of their regular duties for their employment, then the copyright over such work shall belong to the employer; or (2) where a person other than the creator commissioned and paid for the work pursuant to the commission, then the work belongs to the person who paid the commission but the copyright shall remain with the creator, unless otherwise stipulated.

Use of such copyrighted computer program is subject to “fair use”, which means that the use of a copyrighted work for criticism, comment, news reporting, teaching, including limited number of copies for classroom use, scholarship, research and similar purposes is not considered infringement. Also considered as “fair use” is the decompilation or the reproduction of code and translation of the forms of a computer program to achieve interoperability of an independently created computer program with other programs, to the extent that such decompilation is done for the purpose of obtaining information necessary to achieve interoperability.⁴²

9) What are the personal data laws applicable to the use of AI systems in the Philippines?

The DPA and the various issuances of the NPC are applicable to the use of AI systems. As provided under NPC’s Advisory Opinion No. 2024-002, the DPA does not distinguish as to the type of technology used in the processing of personal information. Hence, whether the processing uses AI technology or not, the processing must abide by the DPA as with other means and methods of processing information.

Accordingly, personal information controllers processing personal information using AI technology must adhere to the general principles of

⁴¹ Section 174.1, R.A. 8293.

⁴² Section 185, Id.

privacy, have a lawful basis for processing, implement reasonable appropriate security measures, and uphold data subject rights.

10) What are 3 things organisations deploying AI in the Philippines should note?

Organisations deploying AI in the Philippines should note the following:

a) Lack of unified regulation

As with many parts of the world, the Philippines is at a stage where developments in the regulatory framework are still catching up with the rapid developments in AI. The absence of comprehensive legislation specifically regulating the use of AI may result in a lack of clarity on critical legal matters. Organisations must thus be wary of potential exposure under other applicable laws or regulation when deploying and using AI.

b) AI Ethics

Considering that deployment and use of AI remain unregulated, it becomes incumbent upon the developer and/or the user to responsibly use AI. This would entail organisations to employ internal controls, capacity building and training of members of the organisation to ensure that AI is used in a purposeful and ethical manner which respects the rights of all.

Being mindful of the ethical use of AI goes hand in hand with fostering a culture of compliance within the organisation to existing law or regulations insofar as its use of AI may be involved.

c) Privacy

In recent years, there have been many privacy-related issues within the Philippines where various personal information and sensitive personal information have been misused by bad actors. With the deployment of AI, organisations should update their privacy policies to include the potential impact of their use of AI.

NPC's Office of the Commissioner of the NPC has provided the following list of best practices for organisations to consider in relation to the use of AI:⁴³

- (i) Assessment of potential impact of software and its activities to human rights
- (ii) Testing of AI software before public or commercial launch
- (iii) Achieving privacy-by-design where the protection of privacy is embedded into the IT infrastructure, networks, business practices, and company policies
- (iv) Keeping of records
- (v) Ensuring transparency and openness

⁴³ A copy of the DPO Journal, "Addressing AI Challenges: How to put Privacy First in a Digital Economy" is accessible at <https://sway.cloud.microsoft/QGVanDmPP13kEtg8>.

- (vi) Providing explanations in clear and understandable language for automated decisions made by AI upon request
 - (vii) Ensuring that an accountable human actor is identified
 - (viii) Making human intervention on an AI-automated decision upon request
 - (ix) Continuously monitoring and evaluating the performance and impact of AI
 - (x) Implementing whistleblowing or reporting mechanisms on noncompliance or significant risk in the use of AI
 - (xi) Ensuring the auditability of AI systems
 - (xii) Engaging in multi-stakeholder discussions
 - (xiii) Formulating data privacy regulations within the larger human rights framework
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SINGAPORE



8. SINGAPORE

1) Has Singapore released any national AI strategy?

The Singapore Government has recognized AI as one of the four frontier technologies crucial for advancing Singapore's digital economy.⁴⁴ In 2019, the Government unveiled the National Artificial Intelligence Strategy,⁴⁵ with the objective of positioning Singapore as a frontrunner in the development and implementation of scalable, consequential AI solutions by 2030. The initial focus was on 5 sectors of high socio-economic significance, including border security, logistics, healthcare, education management, and estate management.

A second National AI strategy was released in December 2023⁴⁶, making 3 shifts from the 2019 strategy in light of the greater capabilities of AI (including the introduction of generative AI) as well as the need to maintain Singapore's competitive edge in attracting AI talent and investments: (1) AI is no longer seen as "good to have" but a "necessity"; (2) Singapore must contribute on an international level for both AI innovations as well as AI ethics, governance and standards; (3) Singapore must move beyond the 5 key sectors mentioned in the 2019 strategy and administer AI-enabled solutions at scale.

2) Are there any laws targeting the use of AI in Singapore? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Currently, Singapore does not have legislation specifically addressing the use of AI (unlike the EU Artificial Intelligence Act). Instead, existing laws can apply to the use of AI, as many of our law are technology-agnostic. Therefore, laws such as the Personal Data Protection Act 2012, Cybersecurity Act 2018, as well as consumer protection laws will apply to the use of AI systems.

However, to help organisations deploy AI systems safely and ethically, the regulators have released voluntary guidelines such as the Model AI Governance Framework⁴⁷ (for traditional/discriminative AI⁴⁸ which makes predictions based on existing data instead of creating new content) and the Model Generative AI Governance Framework (for generative AI⁴⁹ which creates (generates) new content).

That said, Singapore is not adverse to enacting legislation to govern the use of AI if it is necessary to do so – it has indicated in its second National AI Strategy that the Government will take differentiated

⁴⁴ The 4 frontier technologies are set out in <https://www.imda.gov.sg/about-imda/research-and-statistics/sqdigital/tech-pillars>

⁴⁵ The first edition of the National AI Strategy is accessible at <https://www.smartnation.gov.sg/files/publications/national-ai-strategy.pdf>.

⁴⁶ The second National AI Strategy is accessible at <https://file.go.gov.sg/nais2023.pdf>

⁴⁷ The Framework is accessible at <https://www.pdpc.gov.sg/help-and-resources/2020/01/model-ai-governance-framework>

⁴⁸ Traditional or discriminative AI refers AI models that make predictions by leveraging insights derived from historical data. Typical traditional AI models include logistic regression, decision trees and conditional random fields, as set out in <https://aiverifyfoundation.sg/wp-content/uploads/2024/05/Model-AI-Governance-Framework-for-Generative-AI-May-2024-1-1.pdf>

⁴⁹ Generative AI are AI models capable of generating text, images or other media, where they learn the patterns and structure of their input training data and generate new data with similar characteristics, as set out in <https://aiverifyfoundation.sg/wp-content/uploads/2024/05/Model-AI-Governance-Framework-for-Generative-AI-May-2024-1-1.pdf>

approaches, ranging from regulatory moves to voluntary guidelines, to manage the risks to and from AI. As at the time of writing, no legislative amendments have been proposed.

3) To date, are there any judicial decisions concerning the use of AI in Singapore?

There are no judicial decisions involving artificial intelligence at the time of publishing of this guide. However, Singapore courts have had the opportunity to determine issues of ‘mistake’ and ‘knowledge’ in a case where contracts were executed autonomously via an algorithmic system instead of direct human action - see *B2C2 Ltd v Quoine Pte Ltd* [2020] SGCA(I) 02 (“*B2C2 v Quoine*”).

The Singapore International Commercial Court held that where a deterministic algorithm is used (i.e. it will only do what the programmer has programmed it to do; it will always produce the same output given the same input with no capacity to vary its response if conditions change), to determine knowledge, the state of mind of the programmers of the algorithm should be referenced.

It remains to be seen what approach the Singapore courts will adopt in relation to non-deterministic algorithms, where the outcomes cannot be predicted with certainty from the input.

4) What are some key AI guidelines released in Singapore?

The key guidelines released in Singapore are as follows:

a) Traditional AI (the first 3 listed apply across all sectors):

- (i) Model AI Governance Framework:⁵⁰ sets out principles relating to the responsible use of AI, as well as practical guidance to private sector organisations on how to achieve those principles across 4 key areas;
- (ii) Implementation and Self-Assessment Guide for Organisations (“ISAGO”):⁵¹ a companion guide to the Model AI Governance Framework, where organisations can run through the series of questions within to assess the alignment of their organisation’s AI governance practices with those in the Model Framework;
- (iii) AI Verify:⁵² an AI governance testing framework and software toolkit for organisations containing both software for technical tests and a series of questions for process checks, so that organisations may assess the performance of their AI systems against 11 internationally-recognised AI ethics principles;
- (iv) PDPC Advisory Guidelines on use of Personal Data in AI Recommendation and Decision Systems:⁵³ guidelines and recommended best practices to provide more clarity to

⁵⁰ The Second Edition of the Model AI Governance Framework is accessible at <https://www.pdpc.gov.sg/-/media/Files/PDPC/PDF-Files/Resource-for-Organisation/AI/SGModelAIGovFramework2.pdf>

⁵¹ The ISAGO is accessible at <https://www.pdpc.gov.sg/-/media/Files/PDPC/PDF-Files/Resource-for-Organisation/AI/SGIsago.pdf>

⁵² For more details about AI Verify, you may refer to <https://aiverifyfoundation.sg/what-is-ai-verify/>

⁵³ The Guidelines released on 1 March 2024 are available at <https://www.pdpc.gov.sg/guidelines-and-consultation/2024/02/advisory-guidelines-on-use-of-personal-data-in-ai-recommendation-and-decision-systems>

organisations on their use of personal data to train or develop AI systems;

- (v) Principles to Promote Fairness, Ethics, Accountability and Transparency (FEAT) in the Use of Artificial Intelligence and Data Analytics in Singapore's Financial Sector:⁵⁴ a set of principles issued by the Monetary Authority of Singapore ("MAS") to guide organisations using AI and data analytics to provide financial products and services; and
- (vi) Artificial Intelligence in Healthcare Guidelines:⁵⁵ sets out good practices for developers and implementers of AI in healthcare, complementing the Health Sciences Authority's regulatory requirements for AI Medical Devices.

b) Generative AI:

- (i) Generative AI: Implications for Trust and Governance:⁵⁶ sets out 6 key risks of generative AI and 6 good governance approaches to mitigate those risks;
- (ii) Cataloguing LLM Evaluations:⁵⁷ sets out baseline evaluation approaches for Large Language Models, with 5 attributes that LLMs should at a minimum be tested for to ensure their safety and trustworthiness;
- (iii) Model AI Governance Framework for Generative AI:⁵⁸ sets forth a systematic and balanced approach to address generative AI concerns by examining nine dimensions of a trusted Generative AI ecosystem, ranging from incident reporting to third-party testing and assurance; and
- (iv) Project Moonshot:⁵⁹ a toolkit to test and evaluate LLMs and LLM applications, integrating benchmarking ("exam questions" to test the model across a variety of competencies like language and context understanding) and red teaming (where there is adversarial prompting of the LLM to induce it to behave in a manner incongruent with its design).

5) Are there grants for companies to tap on to promote their use of AI?

There are grants provided by various public entities to encourage the adoption of AI. Some examples of the grants are listed below:

⁵⁴ The FEAT principles (issued in 2018) are accessible at <https://www.mas.gov.sg/~media/MAS/News%20and%20Publications/Monographs%20and%20Information%20Papers/FEAT%20Principles%20Final.pdf>

⁵⁵ The Guidelines (published in October 2021) are accessible at [https://www.moh.gov.sg/docs/librariesprovider5/equides/1-0-artificial-in-healthcare-guidelines-\(aihgle\)_publishedoct21.pdf](https://www.moh.gov.sg/docs/librariesprovider5/equides/1-0-artificial-in-healthcare-guidelines-(aihgle)_publishedoct21.pdf)

⁵⁶ The paper issued on 5 June 2023 by the IMDA is accessible at https://aiverifyfoundation.sg/downloads/Discussion_Paper.pdf

⁵⁷ The paper issued in October 2023 by the IMDA and AI Verify Foundation is accessible at https://aiverifyfoundation.sg/downloads/Cataloguing_LLM_Evaluations.pdf

⁵⁸ The framework issued by the IMDA and AI Verify Foundation on 30 May 2024 is accessible at <https://aiverifyfoundation.sg/wp-content/uploads/2024/05/Model-AI-Governance-Framework-for-Generative-AI-May-2024-1-1.pdf>

⁵⁹ For more information about Project Moonshot, you may refer to <https://aiverifyfoundation.sg/project-moonshot/> and https://aiverifyfoundation.github.io/moonshot/getting_started/overview/

- a) AI and Data Analytics (“AIDA”) Grant:⁶⁰ the AIDA Grant from the MAS provides up to 30% co-funding of qualifying expenses, capped at SGD \$500,000 to support AIDA projects.
- b) The Generative AI sandbox for SMEs: this initiative by IMDA and Enterprise Singapore allows small and medium enterprises to undertake a trial of various generative-AI powered solutions for their businesses, with funding support.⁶¹

6) Which regulator oversees AI in Singapore? Is there a dedicated AI regulator? What is the scope of the regulator’s duties?

While there is no dedicated AI regulator in Singapore, the Infocomm Media Development Authority (IMDA) has been spearheading Singapore’s AI programs and public guidance materials, while sectorial regulators like MAS and the Ministry of Health provide additional guidance to the sectors they oversee. IMDA set up the AI Verify Foundation in 2023 to create a neutral platform for collaboration and idea-sharing on testing and governing AI. The founding of the AI Verify Foundation reflects Singapore’s approach to AI regulation as a whole – through collaborative testing and adherence to voluntary guidelines to understand the use cases of AI and the risks posed by them, before considering if hard laws are necessary.

7) How will liability arising from the use of AI be addressed in Singapore?

We anticipate that Singapore’s courts will apply existing legal principles (e.g. tort law and contract law), as well as any statutory remedies, when called on to determine liability arising from the use of AI.

For example, the court applied traditional contractual principles of unilateral mistake and knowledge in *B2C2 v Quoine*, which involved the autonomous algorithmic trading of cryptocurrencies without direct human involvement. In relation to liability for autonomous vehicle accidents (where traditional claims in negligence are founded on there being a human driver in control of a vehicle), the then-Second Minister for Transport addressed Parliament (2017) stating that “[w]hen presented with novel technologies, courts often try to draw analogies to legal constructs in other existing technologies. In the case of AVs, the courts have autopilot systems for airplanes, autopilot navigational systems for maritime vessels, and product liability law to draw references from. As with accidents involving human-driven vehicles, it is likely that issues of liability for AVs will be resolved through proof of fault and existing common law.”⁶²

The Singapore Academy of Law’s Law Reform Committee has also published 2 reports on the potential application of our criminal and civil laws to robotics and AI systems in Singapore:

⁶⁰ Details of the AIDA grant (valid until March 2026) can be found at <https://www.mas.gov.sg/schemes-and-initiatives/artificial-intelligence-and-data-analytics-aida-grant>

⁶¹ More details of the sandbox and generative AI services are available at: <https://services2.imda.gov.sg/CTOaaS/Highlight/42/generative-artificial-intelligence-sandbox-for-smes>

⁶² See the Second Minister for Transport’s (Mr Ng Chee Meng) response to parliamentarians’ queries at the Second Reading of the Road Traffic (Amendment) Bill on 7 February 2017, available at <https://sprs.parl.gov.sg/search/#/sprs3topic?reportid=bill-287>

- a) “Report on the Attribution of Civil Liability for Accidents Involving Autonomous Cars”⁶³ (September 2020);
- b) “Report on Criminal Liability, Robotics and AI Systems”⁶⁴ (February 2021).

8) What are the copyright laws applicable to the use of AI systems in Singapore?

The Copyright Act 2021 (“CA”) is the applicable copyright law in Singapore. There are two salient copyright issues relating to AI use, concerning rights in relation to (i) training data and (ii) the output generated by the AI system:

The first is the legality of using copyrighted materials to train an AI system without obtaining permission from the copyright holder. The CA sets out permitted uses of copyrighted works, the most relevant of which are:

- a) the fair use exception under section 190 of the CA – although its application to generative AI training is not yet tested in our local courts;
- b) the computational data analysis exception under section 244 of the CA, which permits the copying of copyrighted materials for the purpose using a computer program to identify, extract and analyse information or data from the work or recording, or using the work or recording as an example of a type of information or data to improve the functioning of a computer program in relation to that type of information or data, provided that (among other conditions) the person has lawful access to the source material. However, our local courts have yet to rule on whether it also extends to training a generative AI system (where new images are *created*), given that the illustrations in the CA only relate to training an AI system to *recognise* images.

The second is the protection of AI-generated works. Under Singapore copyright law, only natural persons can be considered authors of works. There have not been any cases on this issue before our local courts yet, but whether copyright subsists in the output of AI systems is likely to depend on 2 factors:

- a) the extent to which the human was involved in prompting the AI system to create the output, and the level of control the human has over the output (which in turn will be affected by how the AI system is designed to create output based on the prompts);
- b) the nature of the AI system’s output – as not all outputs are protected by copyright, such as fictitious seed numbers in a telephone directory.

⁶³ The Report is accessible at https://www.sal.org.sg/sites/default/files/SAL-LawReform-Pdf/2020-09/2020_Report%20on%20the%20Attribution%20of%20Civil%20Liability%20for%20Accidents%20Involving%20Autonomous%20Cars.pdf

⁶⁴ The Report is accessible at <https://www.sal.org.sg/sites/default/files/SAL-LawReform-Pdf/2021-02/2021%20Report%20on%20Criminal%20Liability%20Robotics%20&%20AI%20Systems.pdf>

9) What are the personal data laws applicable to the use of AI systems in Singapore?

The Personal Data Protection Act 2012 (“**PDPA**”) is the applicable personal data law in Singapore. Organisations must ensure that they collect, use and disclose personal data in accordance with the PDPA, regardless of whether they are using AI systems. Organisations must ensure that they obtain consent from individuals to collect and use their personal data, or rely on legal bases other than consent, such as the business improvement exception, research exception or legitimate interests exception.

The PDPC’s Advisory Guidelines on the Use of Personal Data in AI Recommendation and Decision Systems gives practical guidance to organisations on what they must do at 3 key stages of the AI lifecycle (i.e. (i) development, testing and monitoring; (ii) deployment and (iii) procurement). Organisations are encouraged to use anonymised data as far as possible (and such data is not subject to the PDPA), but must bear in mind the risk that the individual could be re-identified and take steps to guard against it.⁶⁵

10) What are 3 things organisations deploying AI in Singapore should note?

First, organisations should ensure that their AI development process is well-documented (and contemporaneously documented), focussing on (1) what data was used in training the AI system (including its sources, how recent it is, how representative it is, etc.); (2) how the AI system was designed (e.g. why was one model selected over another) and the processes that lead to the AI system’s prediction/recommendation/output; and (3) the risks associated with the use of this AI system and the measures taken by the organisation to address and mitigate the risks. This will be useful to respond to any regulatory inquiries, and also to defend against liability.

Second, organisations should conduct self-assessments on their AI systems using tools like AI Verify, or the ISAGO (or even the checklist in the Annex A of the ASEAN Guide to AI Governance and Ethics), or Project Moonshot (in the case of LLMs). As organisations go through the checklists and tests, they will be able to identify gaps in the design and functioning of their AI systems and make the necessary adjustments. The tools can be used by both developers as well as deployers of AI systems (e.g. an organisation that has a third-party develop an AI solution for it instead of doing it in-house).

Third, organisations should keep up to date with the AI regulations and guidelines issued in Singapore and around the world in order to develop a compliance strategy, especially if they are developing an AI system for use beyond Singapore, or deploying an AI solution for the organisation across multiple jurisdictions.

⁶⁵ PDPC’s Advisory Guidelines on the PDPA for Selected Topics (revised 23 May 2024), at [3.35]. [https://www.pdpc.gov.sg/-/media/files/pdpc/pdf-files/advisory-guidelines/ag-on-selected-topics/advisory-guidelines-on-the-pdpa-for-selected-topics-\(revised-may-2024\).pdf](https://www.pdpc.gov.sg/-/media/files/pdpc/pdf-files/advisory-guidelines/ag-on-selected-topics/advisory-guidelines-on-the-pdpa-for-selected-topics-(revised-may-2024).pdf)

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THAILAND

9. THAILAND

1) Has Thailand released any national AI strategy?

In July 2022, the Thai Cabinet approved the Thailand National AI Strategy and Action Plan (2022 – 2027), with the objective of establishing an ecosystem to promote the development and application of AI technology by 2027.⁶⁶

The goal of enhancing Thailand's AI readiness under the Thailand National AI Strategy and Action Plan will be pursued through five strategies, as follows.

Strategy	Detailed action plans
Strategy 1	Preparing Thailand's readiness in regard to social, ethics, law, and regulations for AI application <ul style="list-style-type: none"> Educate at least 600,000 Thais on AI law and ethics. Implement and enforce AI Law & the respective Regulations.
Strategy 2	Developing an Infrastructure for Sustainable AI Development <ul style="list-style-type: none"> Increase Thailand's Government AI Readiness index to rank in the top 50 globally. Increasing digital infrastructure investment 10% per year to support AI development in both the public & private sectors.
Strategy 3	Increase human capability and improve AI education <ul style="list-style-type: none"> Create more than 30,000 AI talents within 6 years.
Strategy 4	Driving AI technology and innovation development <ul style="list-style-type: none"> Strengthen AI technology by developing at least 100 R&D prototypes within 6 years. Wide adoption of AI research, development and innovation helps to create business & social impact - At least Baht 48 billion by 2027.
Strategy 5	Promoting the use of AI in the public and private sectors <ul style="list-style-type: none"> Number of agencies (government, business & new entrepreneurs) using AI innovation will increase to at least 600 agencies in 6 years.

⁶⁶ The Thailand National AI Strategy and Action Plan (2022 – 2027) is accessible at <https://ai.in.th/en/about-ai-thailand/>

	<ul style="list-style-type: none"> Thailand's AI competitiveness is increased by AI applications.
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2) Are there any laws targeting the use of AI in Thailand? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Currently, Thailand does not have legislation which specifically addresses the use of AI (unlike the drafted EU Artificial Intelligence Act - “**EU AI Act**”). However, Thailand is in the process of formulating laws to regulate AI. Currently, the Thai government has announced two draft AI regulations, as follows:

a) Draft Royal Decree on Artificial Intelligence System Service Business ⁶⁷

In October 2022, the Office of the National Digital Economy and Society Commission (“**ONDE**”), the Ministry of Digital Economy and Society (“**MDES**”), issued a draft Royal Decree on Artificial Intelligence System Service Business (“**Draft Royal Decree on AI**”), which is aligned with the principles of the EU AI Act, and it aims to address potential risks from AI systems to public health, safety, and freedoms. The Draft Decree on AI highlights the necessity for risk assessments, reporting specifications, and the establishment of specific steps to reduce AI risks.

Under the Draft Royal Decree on AI, an ‘**AI system**’ refers to a machine-based system or software which has been developed by using technologies, such as machine learning approaches, logic-based and knowledge-based approaches, statistical, Bayesian estimation, and search and optimization approaches, which create specific results, e.g., information, content, predictions, recommendations, or decisions in accordance with the environment, in which the system or software is used.

The Draft Royal Decree on AI generally categorizes AI systems into two main categories, as follows:

- (i) Prohibited AI systems** – The Draft Royal Decree on AI prohibits the use of certain types of AI systems, which may influence or change human behavior, or cause mental harm to a person, or harm a person’s body or life, or cause unfair discrimination which is not in balance with the context of the activities that are being undertaken, including as follows: (i) AI systems using subliminal techniques with the purpose of influencing or changing human behavior; (ii) AI systems which use data that is sensitive to people (e.g., age and disability of a person); (iii) AI systems with social scoring; and (iv) AI systems using a real time remote biometric identification system in a public place.

⁶⁷ The Draft Royal Decree on Artificial Intelligence System Service Business is accessible at <https://bact.cc/f/2022/10/202210-draft-service-business-that-use-ai-regulation-hearing-chula-onde.pdf>

Prohibited AI systems may only be provided in exceptional cases, including where approval from the authority has been obtained, which will be considered and granted on a case-by-case basis.

- (ii) **Restricted AI systems** – The Draft Royal Decree on AI restricts the use and provision of certain types of AI systems, which may lead to high levels of risks in relation to creating unfair discrimination or affecting the rights and freedoms of a person, whereby the AI system provider is required to register the AI systems with the authority, and they must comply with the criteria and requirements prescribed by the Electronic Transaction Committee (“**Committee**”).

Examples of restricted AI systems are as follows: (i) AI systems which are used for safety components in critical infrastructures or products and services (e.g., medical devices, transportation, foods and drugs); (ii) AI systems which are used for examination scoring, recruitment process, and accessing public facilities; (iii) real time and post remote biometric identification of natural persons - surveillance systems; (iv) AI systems which are used in legal proceedings or related procedures; and (v) AI systems which are used for immigration purposes, except for those which are permitted by the local authority.

Certain AI systems with limited risk (e.g., chatbots and deepfakes) may not be subject to the full obligation, but they will still be subject to the transparency obligation under the Draft Decree on AI.

The main requirements/obligations for the AI system players⁶⁸ include: (i) conducting a risk assessment in relation to the AI system; (ii) implementing monitoring systems to ensure the AI system is operated in a manner which is consistent with the appropriate risks and the applicable regulations; (iii) report to the authority when the AI system is operated in a manner which is inconsistent with the regulatory requirements; (iv) appoint a local coordinator if the AI system provider is located outside Thailand; and (v) notify the users about the use of the AI system, such as for example, in chatbots, emotion & biometrics AI, and impersonation & deepfake AI.

While most of the requirements prescribed thereunder are for the AI system provider, the Draft Royal Decree on AI also prescribes the obligations for AI systems users to monitor and examine the operation of the AI system to ensure it is in accordance with the procedures specified by the AI system provider, including keeping records of the operation of the systems in accordance with the timeframe specified by the authority. If the AI system may cause risks to the nation, the user must notify the relevant authority about such case.

⁶⁸ The classification of AI players, such as AI system providers, importers, and distributors, is similar to those outlined in the EU AI Act.

The issues of concern and recommendations in relation to this Draft Royal Decree on AI have been raised by the Association of Artificial Intelligence Entrepreneurs of Thailand to ONDE in November 2022. However, to date, there has been no official response or amendments to the draft carried out by ONDE.

The current draft version of the Draft AI Decree also follows the concept of earlier draft versions of the Drafted EU AI Act, which has changed under the latest version of the Draft EU AI Act. Therefore, we expect that there will be further revisions to the Draft AI Decree in the future.

b) Draft of AI Innovation Promotion and Support Act ⁶⁹

In October 2022, the Electronic Transactions Development Agency (“ETDA”) issued the draft AI Innovation Promotion and Support Act (“**AI Promotion Act**”) that aims to promote and support the use of AI in Thailand, and which covers the following aspects: AI innovation testing center (AI Sandbox), Data Sharing, AI Standards, AI Service Contract Standards, and Risk Assessments.

The draft AI Promotion Act does not regulate the use and provision of AI, in a manner which is similar to the Draft Royal Decree on AI, but rather, it mainly tries to promote the development of AI in Thailand.

The public hearing for the draft AI Promotion Act has been closed since August 20, 2023, and there have currently been no further developments in regard to the draft AI Promotion Act.

Drafted sub-regulations for the AI Promotion Act

Along with the draft of AI Promotion Act, the ETDA has also proposed the following draft sub-regulations for the AI Promotion Act, which are as follows (i) Draft Notification regarding the AI Sandbox⁷⁰; and (ii) Draft Notification regarding AI Risk Assessments⁷¹, whereby a public hearing for these laws was conducted during the same period as the draft of AI Promotion Act.

The public hearing for the draft AI Promotion Act has been closed since August 20, 2023, and there have currently been no further developments in regard to the draft sub-laws under the AI Promotion Act.

While the drafted AI laws have not yet been enacted, existing laws can still be applied for the use of AI, as many of our laws are technology-agnostic. Therefore, general laws such as the Personal Data Protection Act 2019, Computer Crimes Act 2007, as well as

⁶⁹ The draft AI Innovation Promotion and Support Act is accessible at [2023-07-18-14:56:12_ร่างพระราชบัญญัติว่าด้วยการส่งเสริมและสนับสนุนนวัตกรรมปัญญาประดิษฐ์แห่งประเทศไทย พ.ศ.pdf \(law.go.th\)](https://www.law.go.th/2023-07-18-14:56:12_ร่างพระราชบัญญัติว่าด้วยการส่งเสริมและสนับสนุนนวัตกรรมปัญญาประดิษฐ์แห่งประเทศไทย พ.ศ.pdf)

⁷⁰ The draft Notification regarding the AI Sandbox is accessible at [2023-03-29-18:42:56_ประกาศสำนักงานพัฒนาธุรกรรมอิเล็กทรอนิกส์ เรื่อง ศูนย์ทดสอบนวัตกรรมปัญญาประดิษฐ์ \(AI Sandbox\).pdf \(law.go.th\)](https://www.law.go.th/2023-03-29-18:42:56_ประกาศสำนักงานพัฒนาธุรกรรมอิเล็กทรอนิกส์ เรื่อง ศูนย์ทดสอบนวัตกรรมปัญญาประดิษฐ์ (AI Sandbox).pdf)

⁷¹ The draft Notification regarding AI Risk Assessments is accessible at [2023-07-17-18:56:50_ร่างประกาศฯ การประเมินความเสี่ยง.pdf \(law.go.th\)](https://www.law.go.th/2023-07-17-18:56:50_ร่างประกาศฯ การประเมินความเสี่ยง.pdf)

consumer protection laws (e.g. for AI services provided directly to end-consumer) will apply to the use of AI systems.

3) To date, are there any judicial decisions concerning the use of AI in Thailand?

To the extent of our knowledge, there are no publicly available judicial decisions involving artificial intelligence at the time of publishing this guide.

4) What are some key AI guidelines released in Thailand?

The key guidelines released in Thailand are as follows:

- a) AI Ethics Guidelines issued by the MDES (“AI Ethics Guidelines”)⁷²: The AI Ethics Guidelines establishes the ethical principles for artificial intelligence in Thailand, which can be categorized into six key areas: 1) Competitiveness and sustainable development, which involves promoting the utilization of AI across public, private, and community sectors to foster innovation and sustainable growth; 2) Laws, ethics and international standards, ensuring AI practices align with existing laws, ethics, and international standards while respecting privacy, dignity, freedom, and human rights; 3) Transparency and accountability, which requires activities to be traceable and responsible for any impact which arise from their duties; 4) Security and privacy, and emphasizing the need for AI systems to be secure against threats, and protect data integrity and privacy according to ethical standards; 5) Fairness, which includes equity, diversity, and inclusivity, and focuses on avoiding monopolistic practices and bias to benefit the broader population; and 6) Reliability, supporting the trustworthiness and public confidence in AI systems, ensuring accuracy and integrity in relation to output and data quality control as well as outlining AI Ethics Case Study and AI Ethics Framework.
- b) The ethical guidelines for AI issued by the National Office of Science and Technology Development (NSTDA)⁷³: The objective of these guidelines is to ensure that AI technologies and data science, including AI-driven algorithms, are developed and utilized ethically.

5) Are there grants for companies to tap on to promote their use of AI?

There are grants provided by the Board of Investment (“BOI”) under the Board of Investment Act B.E. 2520 (1977). The BOI offers attractive privileges to support investments in target industries⁷⁴. The promotion packages focus on technology, and therefore, the more a project involves advanced technology, as in the case of AI and robotics, the more likely it is to receive higher investment incentives, including corporate income tax exemptions for up to 13 years.

⁷² The AI Ethics Guidelines issued by the MDES are accessible at <https://bact.cc/fi/2022/11/202012-thailand-ai-ethics-guideline-mdes.pdf>

⁷³ The ethical guidelines for AI issued by the NSTDA are accessible at <https://waa.inter.nstda.or.th/stks/pub/ori/docs/20220831-aw-book-ai-ethics-guideline.pdf>

⁷⁴ The Investment Promotion Guide 2023 is accessible at https://www.boi.go.th/upload/content/BOI_A_Guide_EN.pdf

6) Which regulator oversees AI in Thailand? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

Although Thailand does not yet have a specific regulator for AI, it is anticipated that the AI Promotion Act will fall under the regulations of the ETDA, while the Draft Royal Decree on AI, once becoming effective, will be overseen by ONDE. Both ETDA and ONDE are agencies within the MDES.

7) How will liability arising from the use of AI be addressed in Thailand?

At the time of publishing this guide, there are no laws or regulations which specify the liability which arises from the use of AI in Thailand. We anticipate that Thai courts will apply existing legal provisions under the Civil and Commercial Code (e.g. wrongful act (tort), contract, etc.), as well as other statutory laws (e.g. product liability, data protection, intellectual property, etc.) to address the liabilities for users, producers, possessors, controllers, or any other person involved in the use of AI.

8) What are the copyright laws applicable to the use of AI systems in Thailand?

In Thailand, copyright law is governed by the Copyright Act B.E. 2537 (1994) ("**Copyright Act**"). However, there are no specific regulations relating to the use of AI at this time. Therefore, the general provisions of the Copyright Act will be applied accordingly.

Therefore, the criteria for copyright protection are as follows:

- a) The work must be a product of an expression of an idea.
- b) Such expression must be in a recognised work.
- c) Originality (Skill, Labour, and Judgment test).
- d) Non-illegality (e.g., not against public order).

The originality element in Thailand is the "Skill, Labour, and Judgment" test, whereby the work must be created by an "author", and where such work must be a product of the author's own skill, labour, and judgment which are required to produce such work.

Therefore, to ensure that the work related to AI systems (e.g., AI-assisted work) is protected by the Copyright Act, the users of such AI systems must satisfy the originality criteria by inputting their skills, labour, and judgment to the extent possible during the creation stage, in order to ensure the work is protected.

9) What are the personal data laws applicable to the use of AI systems in Thailand?

The Personal Data Protection Act B.E. 2562 (2019) ("**PDPA**") is the applicable personal data law in Thailand which mainly imposes obligations on the data controller (i.e. a person or legal entity who/which has authority to make determination on the collection, use or disclosure

(**“Process”** or **“Processing”**) of personal data) and the data processor (i.e. a person or legal entity who/which Processes personal data for or pursuant to the instruction of the data controller). It is therefore important to ensure that the Processing of personal data is conducted in compliance with the PDPA, regardless of whether the AI systems are used or not.

Processing of personal data requires lawful basis – for example, consent, legitimate interest, contractual necessity, legal obligation, etc. In the event that the Processing relies on consent, consent request must be made in accordance with the requirements of the PDPA for the consent obtained to be legally valid and binding upon the data subject.

There is currently no guidance from the Personal Data Protection Committee on the Processing of personal data using AI systems.

Please be aware the AI using certain personal data, such as age and information about disabilities, may be classified as a Prohibited AI system under the Draft Royal Decree on AI, which is not effective yet.

10) What are three things organisations deploying AI in Thailand should note?

First, organisations should be mindful when designing, developing, implementing and using AI, particularly in relation to the collection of data to train the AI. In the event that the data is regarded as personal data under the PDPA, any Processing of such data will be subject to the PDPA, unless otherwise stipulated. Therefore, the organisations should carefully assess and determine the objectives of using AI, benefits of deploying the AI, the risk associated with the AI as well as the compliance with applicable laws and regulations.

Secondly, organisations using AI must ensure that they continuously monitor their AI operations for vulnerabilities, and ensure that their AI systems comply with the law, in order to avoid potential legal consequences and to protect their systems from cyber threats. This should include regular security practices such as annual penetration testing to identify vulnerabilities in AI systems, self-assessments to evaluate and manage risks associated with their AI operations, and maintaining human oversight to ensure that there is a level of control and accountability.

Thirdly, while the draft AI laws are not yet in effect, organisations using AI should proactively comply with these draft regulations, particularly with the Draft Royal Decree on Artificial Intelligence System Service Business, which aligns with the principles of the EU AI Act. This proactive compliance will ensure that, once the regulations become effective, there will be no significant transition period required.

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An aerial photograph of a city skyline, likely Hanoi, Vietnam, featuring a wide river and numerous high-rise buildings. The word "VIETNAM" is overlaid in large, white, serif capital letters. The entire image has a blue tint.

VIETNAM

THE VIEN

10. VIETNAM

1) Has Vietnam released any national AI strategy?

As Artificial Intelligence (“AI”) continues to develop and advance, Vietnam is also encouraging research, development, and application of AI, while simultaneously strengthening AI management. On 26 January 2021, the Prime Minister of the Vietnamese Government issued Decision No. 127/QĐ-TTg on the National Strategy for Research, Development, and Application of Artificial Intelligence until 2030 (“**Decision 127**”).⁷⁵ This Decision aims to promote research, development, and application of AI, making it a significant technological field for Vietnam in the Fourth Industrial Revolution. By 2030, Vietnam aspires to become a center of innovation, developing AI solutions and applications within the ASEAN region and globally.

Decision 127 outlines five strategic directions, including: establishing a legal framework and regulatory environment for AI; building data infrastructure and computing capabilities for AI research, development, and application; developing an AI ecosystem; promoting AI application; and fostering international cooperation in artificial intelligence.

To achieve these goals and directions, the Prime Minister has assigned specific tasks to 17 ministries and agencies. The Ministry of Science and Technology is appointed as the contact point to consolidate implementation of the AI Strategy and is responsible for taking charge of its implementation. It is also notably responsible for developing legal documents regarding intellectual property related to AI. The Ministry of Information and Communications (“MIC”) is tasked with, amongst other things, developing and supplementing legal documents on electronic transactions, on data establishment and sharing, and on regulatory sandboxes, creating a favorable testing environment with a specific legal framework to conduct AI trials in potential areas, and establishing technical standards and regulations for AI technology and product formats. The Ministry of Public Security is in charge of developing legislative documents regarding the protection of privacy, human’s rights, and public security relating to AI development and application and ensure cybersecurity for activities relating to AI, while the Ministry of Justice is responsible to develop legislative documents regarding legal liabilities of entities relating to AI.

Currently, Vietnamese ministries and agencies are proactively researching international experiences and engaging in discussions and knowledge sharing to fully understand the challenges, opportunities, and implications arising from the development of artificial intelligence. This will allow them to propose AI-related policies and legislation that are aligned with Vietnam’s political system, specific conditions, circumstances, and objectives. The focus is on reviewing and refining the regulatory framework and policies, actively researching international best practices and recommendations from international organisations,

⁷⁵ Decision 127 is accessible at <https://datafiles.chinhphu.vn/cpp/files/vbpq/2021/01/127.signed.pdf>

and strengthening research and development of national technical standards and regulations, etc.

2) Are there any laws targeting the use of AI in Vietnam? Or is it covered by existing laws regulating the product/service that AI is embedded in?

Currently, Vietnam does not have any dedicated, comprehensive law solely focused on AI. As such, the existing legal framework is being applied to the use of AI. As mentioned above, the Prime Minister has tasked different ministries with the responsibility to develop or supplement the regulatory framework as part of the national strategy on AI, but the adoption of any such new laws or regulatory changes will take time.

The MIC released a draft Law on Digital Technology Industry (“**Draft Law on DTI**”) for public consultation on 2 July 2024. This Law is set to provide the basic principles applicable to, among other things, AI, big data, cloud, Internet-of-Thing (IoT), blockchain, and Virtual Reality (VR). This Draft Law on DTI defines AI system as “machine learning based systems, designed to operate with different levels of autonomy and can demonstrate adaptability after implementations”. It further specifies: “For explicit or implicit objectives from the inputs it receives, it deduces how to implement them, generating outputs such as predictions, contents, proposals or decision that can affect the physical or virtual environment”.

This Draft Law on DTI has a devoted section on AI covering:

- a) the assignment of the task to develop a plan for the promotion of the development and application of AI to the MIC;
- b) the assignment of the task to develop ethical principles in the development, deployment and application of AI to the MIC and for other ministries to develop guidelines and regulations in line with such ethical principles;
- c) strict prohibition of AI activities notably forbidding:
 - (i) AI systems that can impair or influence individual or group behaviour;
 - (ii) AI systems that exploit the weaknesses of an individual or group of people due to age, disability, or economic/social circumstances, which distort their behaviour and cause significant harm;
 - (iii) AI systems to evaluate or classify individuals based on social behaviour or predicted personal traits and personality where such systems either have adverse effects on the society or harm individuals in a disproportionate or unjustifiable manner;
 - (iv) AI systems to determine or predict the risk of an individual committing a criminal offense based on profile;
 - (v) AI systems that create or expand facial recognition databases using images from the internet or CCTV;
 - (vi) AI systems that speculate on human emotions in the workplace or educational institutions except when used for health and safety reasons; and

- (vii) AI systems that classify individuals based on biometric data to infer sensitive personal data.
- d) the assignment of the task to develop risk levels to classify AI systems to the MIC, specifying that such risk levels shall consider the risks affecting health, legitimate rights and interests of organisations and individuals, protection of people and property, and safety of information systems of national importance and critical infrastructure.
- e) the assignment of the task to develop identification labels for the output of the AI system for the AI outputs to be marked in a machine-readable and detectable format.

3) To date, are there any judicial decisions concerning the use of AI in Vietnam?

There are no judicial decisions concerning the use of AI at the time of publication of this guide.

4) What are some key AI guidelines released in Vietnam?

In addition to Decision 127 issued by the Prime Minister mentioned in Question No. 1 above, the Ministry of Science and Technology issued Decision No. 1290/QĐ-BKHCN on guiding principles for responsible research and development of artificial intelligence systems ("**Decision 1290**") on 11 June 2024.⁷⁶ This Decision 1290 aims to:

- a) Promote responsible research, development, and use of AI systems and applications in Vietnam.
- b) Encourage the safe and responsible research, development, and use of AI systems and applications, minimizing negative impacts on individuals and society.
- c) Foster the sharing of experiences in research, development, and use of AI systems and applications, building trust among users and society towards AI, which in turn facilitates AI research and development in Vietnam.

Decision 1290 is non-binding and outlines nine principles for responsible AI system research and development:

- a) Cooperation and Innovation
- b) Transparency
- c) Controllability
- d) Safety
- e) Security
- f) Privacy
- g) Respect for Human Rights and Dignity
- h) User Support
- i) Accountability

⁷⁶ Decision 1290 is accessible at [Quyết định số 1290/QĐ-BKHCN về việc hướng dẫn một số nguyên tắc về nghiên cứu, phát triển các hệ thống Trí tuệ nhân tạo có trách nhiệm \(haiphong.gov.vn\)](https://www.haiphong.gov.vn/Quy%E1%BB%82t-%C3%BB%91nh-s%E1%BB%91-1290/Q%E1%BB%92-%C3%BB%91-BKHCN-v%E1%BB%82-vi%E1%BB%82c-h%E1%BB%A6ng-d%E1%BB%A1n-m%E1%BB%99t-s%E1%BB%91-nguy%E1%BB%82n-t%E1%BB%A1c-v%E1%BB%82-nghi%E1%BB%82n-c%E1%BB%A6u-ph%E1%BB%A1t-tri%E1%BB%A7n-c%E1%BB%A1c-h%E1%BB%A6-th%E1%BB%99ng-Tr%E1%BB%97-tu%E1%BB%82-nh%E1%BB%A1n-t%E1%BB%A1o-c%E1%BB%91-tr%E1%BB%A1ch-nhi%E1%BB%82m)

Each principle is accompanied by implementation guidelines. For example, under the transparency principle, the suggested guidance is that developers should focus on controlling AI system inputs and outputs, and the ability to explain relevant analyses. The guidance should be adhered to by the AI systems that can impact the life, body, privacy, or property of users or relevant third parties. In such cases, developers should consider the ability to clearly identify AI system inputs and outputs, as well as the ability to provide explanations based on the characteristics of the applied technology and how it is used. This fosters societal trust, including user trust.

In addition to the above, the Ministry of Science and Technology issued Decision No. 3298/QĐ-BKHCN on 29 December 2023, which announced, among other things, the following non-binding national standards on AI:⁷⁷

- a) National Standard TCVN 13902:2023 on Information Technology - Artificial Intelligence - Concepts and terminology of artificial intelligence (“**TCVN 13902:2023**”).⁷⁸ TCVN 13902:2023 is equivalent to ISO/IEC 22989:2022, and this National Standard introduces terminologies, concepts and definitions pertaining to AI, data, machine learning, neuron networks, trustworthiness, natural language processing, computer vision, etc. It also provides standards/regulations on: (i) AI system’s lifecycle; (ii) AI system’s functions; (iii) AI’s ecosystem; (iv) AI’s fields; and (v) AI’s application.
- b) National Standard TCVN 13903:2023 on Information Technology - Artificial Intelligence - Overview of trustworthiness in artificial intelligence (“**TCVN 13903:2023**”).⁷⁹ TCVN 13903:2023 is equivalent to ISO/IEC 24028:2020 and covers issues pertaining to the trustworthiness of AI system, including: (i) approaches to establish trustworthiness in AI system through transparency, accountability, controllability, etc.; (ii) technical traps and typical threats and risks associated with AI systems, possible mitigation techniques and methods; and (iii) approaches to evaluate the availability, resilience, trustworthiness, accuracy, safety, security and privacy of AI systems.

Furthermore, the Ministry of Information and Communications is currently working on several draft national standards for artificial intelligence, including:

- a) Draft standard on general computational methods for artificial intelligence systems
- b) Draft standard for artificial intelligence (AI) systems using machine learning (ML)
- c) Draft standard on Artificial Intelligence - Lifecycle processes and quality requirements - Part 1: Quality of large models

⁷⁷ Decision No. 3298 is accessible at <https://tcvn.gov.vn/quyet-dinh-so-3298-qd-bkhcn-cong-bo-tieu-chuan-quoc-gia/21/02/2024/>

⁷⁸ TCVN 13902:2023 is accessible at <https://thuvienphapluat.vn/TCVN/Linh-vuc-khac/TCVN-13902-2023-ISO-IEC-22989-2022-Cong-nghe-thong-tin-Tri-tue-nhan-tao-920969.aspx>

⁷⁹ TCVN 13903:2023 is accessible at <https://thuvienphapluat.vn/TCVN/Dien-dien-tu/TCVN-13903-2023-ISO-IEC-TR-24028-2020-Cong-nghe-thong-tin-tri-tue-nhan-tao-920973.aspx>

However, the specific timeline for finalizing and issuing these standards is not yet determined.

5) Are there grants for companies to tap on to promote their use of AI?

While grants from public entities for promoting the use of AI recently in Vietnam are limited, many private grants have been created to support AI projects. Some examples are:

- a) VND 3,500,000,000 (Approx. USD 135,000) has been granted for the Project “Applying artificial intelligence to early forecast energy consumption” of Da Nang Polytechnic University by Vingroup Innovation Foundation (VinIF)⁸⁰
- b) The Ministry of Information and Communications held a launching Ceremony for Viettel’s Artificial Intelligence Technology Platform (Viettel AI Open Platform) to promote the application of AI and create benefits for individuals, organisations, and businesses. The open AI platform is provided free of charge for participating businesses to use during their application development phase.⁸¹

Note that the public support for digital technology products and services is set to increase, with the digital technology industry being recognized as a business line eligible for investment incentives. The State will allocate and support part of the funding for the implementation of a digital technology research and development program, will grant tax incentives and import tax exemption, and will reduce or waive the land use levies for eligible projects. The State will also provide for interest rate compensation through the commercial banking system.

The Draft Law on DTI further provides that the State will support small and medium enterprises to use shared laboratories and other information infrastructure free of charge for the research and development for digital technology products and services.

For start-ups, the State will adopt policies to encourage financial institutions and banks to provide loans on preferential conditions for enterprises innovating in digital technology, create tax exemptions on imported goods to create fixed assets and/or goods for direct use in the digital technology research and development, and simplify the administrative procedures, reduce legal barriers, and apply tax and fee incentives for innovative start-ups.

⁸⁰ The announcement is accessible at <https://vinif.org/du-an-khcn-do-vinif-tai-tro-ung-dung-tri-tue-nhan-tao-de-du-bao-som-nang-luong-tieu-thu-cua-cac-toa-nha-huong-den-phat-trien-ben-vung-nghiem-thu-thanh-cong/>

⁸¹ More details about the Viettel AI Open Platform are accessible at <https://spdv.mic.gov.vn/bo-tttt-ra-mat-nen-tang-cong-nghe-tri-tue-nhan-tao-danh-cho-nguoi-viet-197120096.htm>

6) Which regulator oversees AI in Vietnam? Is there a dedicated AI regulator? What is the scope of the regulator's duties?

There is no dedicated AI management agency in Vietnam at the moment, although the Ministry of Science and Technology has been appointed as the point of contact for the AI Strategy and is responsible for its implementation. In addition, the MIC is also expected to be in charge of (i) developing a comprehensive plan to promote the development and application of AI; (ii) establishing ethical principles for the development, deployment, and use of AI, which will guide other ministries in creating relevant regulations; (iii) developing a risk-based classification systems for AI systems; and (iv) creating a standardized identification label for AI-generated outputs to ensure transparency and traceability. Please refer to our answer in Questions No. 1 and No. 2 above for more information on the different ministries tasked with their respective specific regulatory roles.

7) How will liability arising from the use of AI be addressed in Vietnam?

At the time of publication of this guide, the question related to liability arising from the use of AI has not been addressed in Vietnam. Although the Ministry of Justice has been tasked with reviewing the existing laws, developing new laws or supplementing the current regulatory framework to address this question, there has been limited development on this matter and the general framework continues to apply.

For example, during a seminar at the University of Law of Hanoi, a public officer clarified that, in criminal prosecution, AI would be considered as a special type of object and the development or use of AI to commit a criminal act would engage the criminal liability of the subjects involved in producing, manufacturing, and monitoring AI.⁸²

8) What are the copyright laws applicable to the use of AI systems in Vietnam?

Copyrights in Vietnam are currently regulated by the Law No. 50/2005/QH11 dated 29 November 2005 on Intellectual Property, as amended and supplemented from time to time ("**IP Law**"). The Ministry of Science and Technology has been tasked with the review of the IP regulations related to the use of AI and we can expect further guidance on this question.

However, in the absence of such guidance at the time of publication and based on the existing regulations, obtaining copyright for an AI-generated work would be difficult for a user. The IP Law and the Law No. 07/2022/QH15 dated 16 June 2022 amending some articles of the Law on Intellectual Property define "author" as a person who directly

⁸²Details of the seminar are accessible at

<https://moj.gov.vn/UserControls/News/pFormPrint.aspx?UrlListProcess=/qt/tintuc/Lists/HoatDongCuaCacDonViThuocBo&ListId=3a1800e5-1e0c-47a3-b925-83581493f9e3&SiteId=b11f9e79-d495-439f-98e6-4bd81e36adc9&ItemID=4262&SiteRootID=b71e67e4-9250-47a7-96d6-64e9cb69ccf3>

creates the work, and further specify that a person who only gives instructions, ideas or materials cannot be considered as an author, nor co-author of the work. Hence, it is unlikely that the work produced by AI would be considered as a user's original work – which is necessary to register copyrights with the Vietnamese authorities.

9) What are the personal data laws applicable to the use of AI systems in Vietnam?

In Vietnam, there are no specific personal data protection law applicable to the use of AI systems; hence, the general regulatory framework would apply.

Regulations on personal data protection are fragmented in different laws and regulations. Relevant legal instruments include:

- a) Decree No. 13/2023/ND-CP on personal data protection.
- b) Law No. 86/2015/QH13 of the National Assembly dated 19 November 2015 on Network Information Security.
- c) Law No. 67/2006/QH11 of the National Assembly dated 29 June 2006 on Information Technology.
- d) Law No. 24/2018/QH14 of the National Assembly dated 12 June 2018 on Cybersecurity.
- e) Decree No. 72/2013/ND-CP dated 15 July 2013 on the management, provision, and use of internet services and online information (as amended and supplemented by Decree No. 27/2018/ND-CP dated 1 March 2018 and Decree No. 150/2018/ND-CP dated 7 November 2018).

10) What are three things organisations deploying AI in Vietnam should note?

In a context where the sufficiency of the laws to regulate AI is still being assessed and reviewed by a handful of ministries and government agencies, the first thing that organisations should take note would be to closely monitor the legal developments and engage with the regulators when public consultations are opened from time to time. The government is gathering information on international best practices to tailor the Vietnamese approach to AI and organisations can provide useful information and perspective to the regulators during this stage of the legislative process.

Second, organisations should aim to align their AI systems with Decision 1290 and also take into account the draft regulations under the Draft Law on DTI. Although Decision 1290 is not binding, this decision provides information on how the Vietnamese government will expect the deployment of AI systems in Vietnam and will likely guide the future regulatory developments mentioned in the first point above. This alignment with the guidance of Decision 1290 should notably include proper documentation tracing the AI development which should include information on how the AI system was developed, designed and trained. Aligning the AI deployment with the guidance of Decision 1290 and the draft regulations under the Draft Law on DTI will likely give a compliance

head-start to the organisation whenever the new regulations are enacted.

Third, organisations should train their workforce and raise their awareness on the risks of using AI. Notwithstanding the benefits of AI, the use comes with risks associated with the patchwork regulatory framework that is being applied in the absence of a specific regulation addressing AI related challenges. The level of awareness on matters such as data privacy, confidentiality, intellectual property protection is still relatively limited in Vietnam. Organisations should adopt internal policies and train their employees on the use of AI to ensure that such use does not violate the regulations and mitigates the important risks for the enterprises (for example, by employees disclosing the company proprietary information in prompts).

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