2025 Conference on "Asia-Pacific Artificial Intelligence (AI) Governance Accelerator and Preparing for AI Transformation"

11 July 2025, Crowne Plaza Changi Airport, Singapore

Hosted by Singapore National Committee for Pacific Economic Cooperation (SINCPEC)
Supported by Infocomm Media Development Authority (IMDA)
Jointly organised with China National Committee for Pacific Economic Cooperation (CNCPEC); France Pacific Territories National Committee for Pacific Economic Cooperation (FPTPEC); Hong Kong Committee for Pacific Economic Cooperation (HKCPEC); United States Committee for Pacific Economic Cooperation Council (USPECC)

Summary Report

The Conference opened with the opening remarks covering the opportunities, challenges and risks of the usage of artificial intelligence (AI). Additionally, a key theme and term used amongst panelists and the guest speaker, was on the subject of fostering trust among societies and economies. The remarks also regarded the Conference as an opportunity to establish new regional connections, and propose new solutions and frameworks on addressing the challenges and dangers of AI, facilitating knowledge exchange, and formulating joint responses to the subject of using AI in daily life. Some initiatives were cited as examples of platforms facilitating multi-stakeholder dialogues, such as The Singapore Consensus on Global AI Safety Research Priorities which would be helpful for governments, research institutions and developers from around the world to understand, identify and support impactful research and development (R&D) in AI safety.

Session I: To evaluate the transformation, upgrading and adaptation by conventional industries and start-ups through digitalisation and adoption of AI.

This session explored how AI is transforming both traditional industries and startups, underscoring its role as a catalyst for efficiency, innovation, and growth. Established industries are leveraging AI to streamline operations, reduce costs, and enhance product quality, with notable outcomes such as a 20% cut in production cycles and a tenfold increase in inspection accuracy. Startups, meanwhile, are using their agility and low-code tools to deploy cutting-edge AI solutions in sectors such as healthcare, biotechnology, and customer service. Despite these successes, both groups face significant challenges, including high implementation costs, limited access to talent, and funding constraints for AI model development.

The discussion highlighted that overcoming resistance to digital transformation requires strong leadership, strategic alignment, and cultural change within organizations. Government policies and incentives are crucial, especially for small and medium enterprises (SMEs) that often lack the resources or frameworks needed to adopt AI effectively. Panelists also stressed that overreliance on cheap labor can delay investments in automation and technological advancement, hindering productivity gains.

To drive sustainable AI adoption, the session emphasized the importance of ecosystem collaboration and capacity building. Partnerships among academia, industry, and government are essential for bridging talent gaps and fostering innovation, while trade fairs and startup showcases give SMEs access to practical, affordable AI tools. The session concluded with a call for inclusive, evidence-based strategies and robust governance to ensure that AI's benefits, such as economic growth, competitiveness, and societal impact, are widely shared.

Session II: Policy initiatives and support for SMEs and Start-ups in adoption of AI in terms of skill set, access to talent, digital capabilities and identifying destabilizing development

The session explored how AI can transform SMEs and start-ups while highlighting the need for targeted policies and support. Case studies illustrated AI's real-world impact: an education provider reduced administrative tasks by 90% with a generative AI curriculum planner, a ceiling fan company increased sales by 80% through an AI-powered chatbot, and an apparel company leveraged AI for rapid design and on-demand production, enabling a small team to run a thriving e-commerce business.

However, SMEs face persistent barriers, including limited resources, funding constraints, lack of AI expertise, and ethical risks such as bias and cybersecurity threats. To overcome these challenges, the session emphasized short-term, high-impact initiatives, supported by policy measures such as AI assurance sandboxes, regional compute pools, public-private AI growth funds, skills passports, and industry-led talent hubs.

The panel reinforced the need to align AI solutions with business priorities, utilize existing data, and foster cultural readiness. A collaborative ecosystem, coupled with robust governance, is essential for SMEs to adopt AI effectively and remain competitive.

Session III: AI, Ethics, Regulations, and Governance Model for Healthcare – Digitalisation, Innovation, and Medical Efficiency

This session addressed the multifaceted role of AI in the healthcare sector, with a particular focus on innovation, regulatory frameworks, and ethical considerations. It explored the deployment of AI during the COVID-19 pandemic (2020-2023), highlighting both the opportunities and challenges associated with AI integration, including technical, operational, and governance issues. The discussion underscored the necessity of robust compliance and governance models to ensure the responsible and effective implementation of AI in medical practice.

A landmark case study on AI for Diabetic Retinopathy (DR) screening was presented, illustrating a successful pathway from pilot to national adoption. This process involved validating the AI solution, integrating it with public healthcare IT infrastructure, ensuring cost-effectiveness, obtaining regulatory approval, and commercializing the technology. The panelist emphasized that similar long-term, multi-stage processes are essential for scaling any major clinical AI solution.

The panel discussed the importance of validating AI solutions for clinical need, effectiveness, and sustainability, in alignment with medical ethics (e.g. beneficence, non-maleficence, justice, and patient autonomy). Technical hurdles, such as data quality and supply chain

management, were addressed through accurate data pipelines and validation for generalizability. Operationally, the concept of "glocalization" was emphasized, ensuring that AI solutions are globally generalizable but locally relevant, with participatory workflow design and financial planning. Governance challenges were managed through risk-based regulatory approval, data protection, and cybersecurity tailored to AI's unique attributes.

Session IV: AI: Transforming the global financial system

The fourth session centered on the transformative impact of AI within the global financial sector, particularly banking and finance. Panelists discussed the critical balance required between innovation and risk management when adopting AI technologies, emphasizing the importance of maintaining consumer trust and loyalty amidst technological change. There was a strong consensus on the necessity of robust regulation to mitigate risks such as misuse, bias, misinformation, cyber threats, and data leakage, ensuring AI is used productively and ethically.

The role of international platforms, notably Asia-Pacific Economic Cooperation (APEC), was highlighted as essential for fostering trust, mutual cooperation, and harmonized regulatory standards across jurisdictions. This would facilitate more efficient banking operations and the transfer of capabilities to less developed markets. Multi-stakeholder collaboration between academia, financial institutions, and regulators was also emphasized, particularly in addressing social risks and enhancing AI literacy.

A case study from the technology arm of a bank was examined. It illustrated practical AI applications, such as product recommendations and coding assistance, which have significantly improved operational efficiency. This approach underscores the importance of human supervision, ongoing employee training, and responsible AI regulation.

Panelists addressed questions on AI regulation, the use of AI in supporting developing economies, and practical examples such as using AI to assess property values in rural areas. This reinforced the recurring themes of fostering trust, enhancing cooperation, and ensuring smart, responsible regulation to maximize the benefits of AI while safeguarding against its risks.

Session V: Responsible adoption and governance for use of AI in key industries for APEC economies: Collaboration and key actions moving forward

The final session delivered a compelling call for responsible AI adoption, governance, and regulation across APEC economies, emphasizing the need to align AI frameworks with international standards and research priorities (e.g. The Singapore Consensus on Global AI Safety Research Priorities) to ensure both global safety and sustainable innovation. It championed a multi-stakeholder approach, highlighting the power of trust-building, dynamic partnerships, and APEC's unique role as a catalyst for cross-border cooperation.

Corporate leaders and policymakers shared real-world insights into AI integration, backed by strategic government policies designed to promote responsible innovation and boost SME competitiveness in a rapidly evolving global market. A standout case study featuring the development of a localized large language model, underscored the critical importance of culturally and linguistically tailored AI solutions to bridge the digital divide.

Transparency was identified as a cornerstone of effective AI governance and best practice. Several modalities were discussed, ranging from individual APEC economies' responses (e.g. Singapore's approach to AI testing frameworks through initiatives like the Global AI Assurance Sandbox, AI Verify Testing Framework, and the AI Verify Foundation which has garnered participation from more than 200 organisations worldwide), to those adopted by regional organizations such as the Organisation for Economic Co-operation and Development (OECD) and the European Union (EU). Panelists stressed that the path forward requires balancing global convergence with regional diversity, positioning APEC as the ideal forum to foster trust and dialogue, and drive multilateral action.

The session tackled pressing challenges from the risks of job displacement to the societal impacts of rapid technological change while underscoring that "smart regulation" is the foundation for sustainable innovation, much like in aviation and banking.

In closing, participants called for adaptive, future-ready policies that accelerate innovation while ensuring safety, inclusivity, and trust. APEC was reaffirmed as a key driver of practical collaboration and forward-looking AI governance, capable of uniting economies to address both today's risks and tomorrow's opportunities.