COMPETITION & CONSUMER COMMISSION | SINGAPORE

MEDIA RELEASE

27 November 2026

CCS Releases Findings on Singapore's Artificial Intelligence Market and Sets Out Guiding Principles to Safeguard Competition and Consumers

1. The Competition and Consumer Commission of Singapore ("**CCS**") has today released the findings of an AI Market Study, setting out guiding principles to promote fair competition, transparency and consumer trust as Singapore's AI landscape continues to evolve.

2. The AI Market Study is the first in a series of studies by CCS examining current and emerging competition and consumer protection issues in digital markets, which will include cloud services and advertising technology ("**AdTech**").

3. As AI transforms industries and creates new opportunities for innovation and economic growth, CCS is taking a forward-looking approach to identifying emerging risks and supporting the development of a competitive and consumer-friendly AI ecosystem in Singapore.

4. As part of the study, CCS engaged a wide range of stakeholders including industry players, government agencies, academics and research institutes. The study examined three broad areas: market power and structure in AI markets; AI-enabled anti-competitive practices; and risks posed by AI to consumer protection.

Market power and structure in AI markets

5. The study found that businesses generally have access to a good range of cloud service providers and AI models, with the flexibility to switch between providers. However, CCS identified risks where dominant businesses could use their market power to favour their own products or restrict competitors' access to essential technologies.

6. The study also examined potential competition risks associated with AI agents and the acquisition of AI startups. While Singapore's AI agent market is expected to develop competitively with multiple businesses developing solutions for different purposes, competition concerns could arise if dominant AI agent providers restrict competing AI agents from working with other operating systems. Separately, while some acquisitions may support innovation and business growth, anti-competitive acquisitions could reduce competition and undermine Singapore's AI ecosystem.

AI-enabled anti-competitive practices

7. The study identified the risk of algorithmic collusion, where AI systems may learn to coordinate prices with competitors even without being explicitly instructed to do so. AI pricing tools could also facilitate collusion by enabling the sharing of commercially sensitive information between competing businesses.

8. The study also examined the use of Privacy Enhancing Technologies ("**PETs**"), which allow businesses to collect, share and analyse data while protecting sensitive information. While PETs can help businesses collaborate and improve their AI models without compromising privacy, CCS notes that competition concerns could arise if the information gathered reveals commercially sensitive information about individual businesses.

Risks posed by AI in consumer protection

9. On the consumer protection front, the study found that AI has been used by businesses to facilitate the creation of fake online reviews. In particular, some businesses exploited AI to generate fake reviews at greater scale and sophistication, misleading consumers about the quality or popularity of products and services.[1]

10. AI can also be used by businesses to increase the harm from dark patterns[2]. For example, AI can personalise misleading claims, such as false scarcity messages, based on individual consumers' online behaviour, and can make it easier for businesses to build websites that incorporate such tactics. CCS recognises that the covert nature of some dark patterns makes them difficult to detect and address.

11. The study also identified potential product safety risks arising from the increasing integration of AI into physical products, such as smart home appliances and

[1] In 2026, CCS took action against a fake review provider that made use of Gen AI to provide fake reviews for approximately 100 businesses. In 2025, CCS also found that a car detailing workshop had used ChatGPT to generate customized reviews for customers without their knowledge or consent.
[2] Dark patterns are practices in online interfaces that subtly mislead consumers into making decisions that may not be in their best interests.

autonomous vehicles. Poorly designed AI systems could cause these products to display unsafe behaviour, posing physical risks to consumers. Businesses are encouraged to incorporate appropriate safeguards, including robust manual override mechanisms and components that cannot be overridden by AI.

Eight Guiding Principles for responsible AI development and deployment

12. To address these risks, CCS has developed a set of eight pro-market guiding principles to encourage businesses to develop and deploy AI in ways that promote competition, fairness, transparency and consumer trust (see Annex A).

13. Chief Executive of CCS, Mr Alvin Koh, said, "AI presents significant opportunities for innovation and growth, but these must not come at the expense of fair competition and consumer interests. Through these guiding principles, we encourage businesses to proactively identify and address potential competition and consumer protection risks when developing or deploying AI. By fostering responsible AI practices, we can support a vibrant and competitive ecosystem where businesses can use AI to innovate and consumers can make choices with confidence.

14. The full report can be found on CCS website under "Market Studies".

About the Competition and Consumer Commission of Singapore

The Competition and Consumer Commission of Singapore ("**CCS**") is a statutory board of the Ministry of Energy, Trade and Industry. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

CCS administers and enforces the Competition Act 2004 and the Consumer Protection (Fair Trading) Act 2003 to guard against anti-competitive activities and unfair trade practices. Additionally, CCS ensures that businesses observe fair trade measurement practices by administering the Weights and Measures Act 1975, and the supply of safe consumer goods by enforcing and implementing the Consumer Protection (Trade Descriptions and Safety Requirements) Act 1975 and its associated regulations.

For more information, please visit www.ccs.gov.sg.

For media clarifications, please contact:

Ms. Winifred Kwok
Senior Assistant Director (Communications)
Competition and Consumer Commission of Singapore
Email: winifred_kwok@ccs.gov.sg
DID: 6032 4345

Ms. Shamsiah Jemain
Senior Executive (Communications)
Competition and Consumer Commission of Singapore
Email: shamsiah_jemain@ccs.gov.sg
DID: 6325 8206

Annex A

Principle	Key considerations for businesses
1. PRO-COMPETITIVE ALGORITHMS	Design and monitor AI systems to prevent coordination between competitors, sharing of commercially sensitive business information, and other practices that could harm competition.
2. ACCESSIBILITY	Promote fair access to key AI resources on reasonable terms and avoid unnecessary collection of user data that could restrict competition.
3. FLEXIBILITY	Enable different AI systems to work together, make it easier for users to switch providers, and avoid practices that lock customers into particular services.
4. FAIRNESS	Use fair and objective criteria in AI-driven decisions and recommendations.
5. TRANSPARENCY	Clearly explain what AI systems can and cannot do, and avoid misleading claims or practices that could unfairly influence consumer decisions.
6. DIVERSITY	Encourage a variety of AI offerings, including open- and closed-source models, to promote competition, innovation and consumer choice.
7. ACCOUNTABILITY	Clearly document AI decision making processes, establish clear responsibility for AI-driven decisions and provide ways for consumers and businesses to raise concerns or seek remedies.
8. ACCURACY	Regularly test and review AI models to ensure their outputs remain accurate, reliable and trustworthy.