

Remarks by Minister Josephine Teo at the Opening of Lazada One 11 Apr 2022

1. Thank you for inviting me. Good afternoon to friends here in Singapore, and everyone in the region who are joining us via livestream.
2. Congratulations to Lazada on the opening of your new regional headquarters, Lazada One! And since you recently celebrated your 10th anniversary, a very happy birthday as well.
3. Southeast Asia's digital economy has tremendous growth potential – a report by Google, Bain, and Temasek estimated it will be worth US\$1 trillion by 2030.
 - a. E-commerce is expected to be the biggest driver, with double-digit growth rates.
 - b. Our region is also home to a vibrant innovation scene. According to Credit Suisse, in 2021 alone, 19 start-ups from the region attained unicorn status – valuations of US\$1 billion or more.
4. Singapore is very pleased to be home to many of these unicorns, new and not-so-new, and many more who are well on their way to becoming one.
 - a. Alongside MNCs and a large pool of SMEs, they form Singapore's thriving digital economy, where businesses and talent can tap on exciting new opportunities.
5. Common to the Singapore Government and companies like Lazada is the need to continually invest in the future. Let me briefly elaborate on three areas that the Government is investing in, to ensure that our businesses and talent remain relevant and competitive.
6. The first area of investment is supporting SME digitalisation.
 - a. With the rise of e-commerce, many SMEs are now on technology platforms like Lazada, selling their products and services to larger audiences in more markets. Consumers benefit from greater choice, often at lower cost.
 - b. The Government has supported the digital transformation of SMEs, including through our SMEs Go Digital programme, which has benefited more than 80,000 firms since 2017. Three in four firms now adopt at least one digital solution.
 - c. We must go further. We intend to widen and deepen the digital capabilities of our SMEs, so that they can continue to reap the benefits of digital. Last



year, we launched the Better Data Driven Business programme, and this is to help our SMEs to understand how to collect data and generate insights safely, in a way to reduce costs, improve business operations, and grow their market presence.

7. The second area of investment is in our last-mile delivery infrastructure.
 - a. Last mile deliveries are essential for e-commerce, and the Government has supported this through the rollout of a network of parcel lockers nationwide, operated by Pick. Last month, we just completed our milestone of 1,000 Pick lockers all across Singapore. This network improves the efficiency and sustainability of the last mile delivery sector, and allows consumers to pick up their parcels conveniently near their homes, around the clock.
 - b. I note that Lazada is the first marketplace to offer all of Pick's lockers on its platform, and I hope to see even closer collaboration with Pick as the e-commerce sector continues to grow.
8. The third area of investment is in our people – probably the most important of all. The aim is to nurture a strong pipeline of tech talent, who are the human capital that our enterprises need to flourish.
 - a. Lazada has demonstrated its commitment to support young talent in particular, by hiring some of IMDA's SG:D scholars, and through the launch of the Lazada Foundation today. I am very heartened by this.
 - b. With the global tech talent crunch, we all need to do more, to ensure that our existing tech workforce remains relevant and competitive, and to support new entrants to the tech industry.
 - c. The Government has launched programmes such as the TechSkills Accelerator. ICT and non-ICT professionals can upgrade and acquire new skills, so that they can progress and take on higher-value roles, such as product managers and software engineers. We look forward to partnering more companies to groom talent for in-demand tech skills.
9. I am excited by the possibilities that digital brings for businesses and people in Singapore and across Southeast Asia. I look forward to working with all our industry partners including Lazada, as we Build a Vibrant and Secure Digital Future Together.
10. Thank you, and warmest congratulations to Lazada once again on this significant milestone.

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