



Ministry of Communications
and Information

An Engaged and Connected Singapore

Opening Address by Minister Josephine Teo at

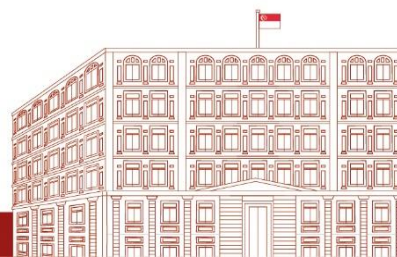
SCCCI's SME and Infocomm Commerce Conference on

13 Sep 2022

Mr Kho Choon Keng, President,
Singapore Chinese Chamber of Commerce and Industry (SCCCI),
Distinguished Guests,
Colleagues and friends,

Introduction

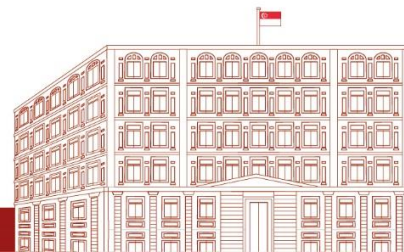
1. Good morning and thank you for inviting me. It is a pleasure to be at this conference again and to reconnect with so many familiar faces. I'd like to congratulate SCCCI on its 25th anniversary of the SMEICC conference series. It is a major milestone.
2. Last year, I spoke about the silver lining of the pandemic, that while it created tremendous difficulties for many businesses, it also gave digitalisation a bigger push.
3. SMEs which were still unsure decided it was time to embrace digitalisation. I salute all of our business owners not only for your perseverance in overcoming the challenges of the pandemic, but also for your willingness to try - to try out digital technologies and to see how they can make a difference to your business prospects. At the same time, I wish to commend SCCCI along with other Trade Associations and Chambers (TACs) for stepping up to provide practical support in a journey that is often fraught with difficulties.
4. Today, we are thankful that Singapore's economy is recovering. Yet, at the same time, we must recognise the headwinds. At this year's National Day Rally, Prime Minister Lee Hsien Loong spoke about inflation and cost-of-living pressures around the world, including Singapore. Worsening US-China relations and the Russia-Ukraine war have far-reaching implications for the global order, and for businesses facing supply chain disruptions and rising business costs.
5. Our businesses will be challenged once more to adapt to these new circumstances.



6. I believe this year's conference theme is meant to be easy to remember: ABCDEF. "Ascending Beyond: Collaborate. Differentiate. Evolve. Forward Focus." Actually, beyond three words, it's not so easy.
7. Therefore, my speech will attempt to cover just three 'Rs': reinvention, resilience, and repositioning for the future.

Reinvention

8. Let me start with reinvention. Last year, IMDA announced the CTO-as-a-Service platform. Many of you, being SME business owners, can appreciate why this is necessary. Most SMEs do not have the luxury of having specialists in their teams. The CEO or GM is very often the COO, CFO, CHRO all rolled into one. The problem is that with digitalisation, they must also become the CTO. This can be a severe bottleneck to them re-inventing their businesses. It is not just a question of time and bandwidth, but there are also knowledge gaps. Because becoming successful as a digital business with new ways of thinking about the operations and protecting their systems require new skill sets, which not everyone can master easily.
9. IMDA's solution is therefore to make available a one-stop self-help platform with over 450 ready-to-go solutions that have been proven and used by other companies. And so for the first time, SMEs are able to assess their digital gaps and take action to plug the gaps in a seamless manner. They can also seek customised advice from digital consultants through the same platform, as if they have a CTO at their service.
10. I am very pleased that SMEs have made good use of this service to reinvent themselves. By now, more than 10,000 have benefitted. Let me share two examples of SMEs that are re-inventing themselves through digitalisation.
11. One of Singaporeans' favourite snacks is the goreng pisang, or banana fritters. At Old Airport Road Hawker Centre, there is a 2nd-generation family business which originated at Geylang Lorong 20. Hence their name, G20 Banana – meaningful and catchy!
12. Through the guidance of a digital consultant, G20 Banana recently took the bold step to sell ready-to-cook frozen goreng pisang overseas through an e-commerce platform. They aim to achieve a five-fold increase in sales volume over the next three years. But this is possible only if their operations can keep up, which is also why they must digitalise.



13. Another example is Moh Sim Wood Products. The company has been manufacturing timbre doors and furniture for the past 37 years. Moh Sim took the advice of a digital consultant and is now embarking on an ambitious plan to automate and integrate their manual operations. Data will be exchanged seamlessly between their online sales, inventory, and service order systems.

14. These improved efficiencies are expected to free up to 30 per cent of Moh Sim staff, who can then engage in more value-added functions such as customer care and R&D. This is also one of the practical benefits of digitalising their operations: to overcome the manpower shortage or bring some relief to it.

Resilience

15. Let me turn to my second theme, resilience. While digital technologies bring about tremendous opportunities, they can also be a problem if we do not manage our cybersecurity risks. For example, there are more ransomware incidents than before.

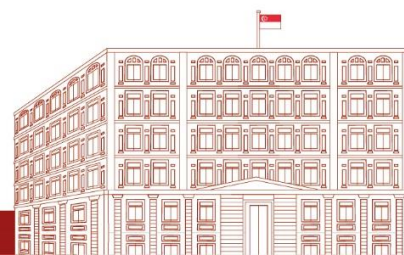
16. To better support SMEs in managing their cyber risks, our agencies launched the Cyber Trustmark and Cyber Essentials mark, and the Data Protection Essentials Programme earlier this year.

17. These initiatives will provide assurance to you and your customers that cybersecurity and data protection standards are maintained. At the broader level, it will also build enterprise resilience against threats when going digital, and foster greater trust in our digital economy. And trust is one of the most important features of doing business in Singapore, which we must find ways to uphold.

Repositioning for the future

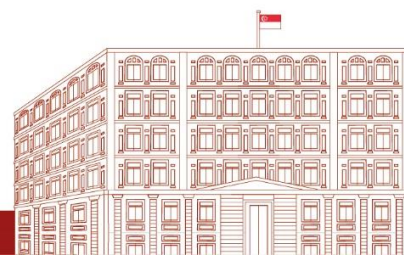
18. In fact, many of my international counterparts are concerned about the ability of their SMEs to succeed in the digital economy. When we meet at international fora, they often compliment me on Singapore's progress in this regard.

19. However, I always respond that when it comes to digital, all of us are still very much at the starting line only. This is because, digital technologies are evolving so quickly that no lead can



be expected to last too long, without great effort and a willingness to reposition ourselves every now and then.

20. This brings me to my third theme this morning, on how Singapore must be ready to reposition itself for the future of digital technologies, which will likely feature some version of Web 3.0, the Metaverse and much more pervasive use of AI. Let me continue in Mandarin.
21. 第三代互联网；元宇宙；以及李开复博士待会儿将在他的演讲中分享的人工智能（AI）——这些科技的诞生，都显示企业必须不断检讨并更新作业方式。在必要时善用新科技，企业才能长期生存和蓬勃发展。
22. 企业或许需要重新定位，我们的经济体也一样，可能需要重新定位。面对不确定的科技发展，大家可谓是摸石过河，步步为营。尽管彼岸看起来有着鲜甜果实的果树，但如果我们不过河摘果，果实给人摘光了，我们不就没份了？
23. 在发展新兴科技方面，我国该如何前进，让我们的企业和国民也有机会成功过河并享用丰硕果实？
24. 我们首先可以做到的，是建立优质的数码基础设施，为新兴科技提供强有力的支撑，使新兴科技能够蓬勃发展。例如，为了应付海量数据传输和即时反应的计算需求，5G网络将非常关键。
25. 在这方面，新加坡有望在2025年之前实现5G网络覆盖全岛的目标，而这个目标很可能提早达成。
26. 第二，我们将继续投资于研发工作以推动数码科技的创新，为国人的生活和企业带来正面的改变和影响。
27. 在我们的“研究、创新与企业2025”计划下，我国将在从2021年至2025年的五年投入250亿元，以增强企业创新能力。这些努力涵盖了多个新兴科技领域如人工智能以及量子计算。



28. 第三，新加坡也一直积极跟其他国家和地区建立伙伴关系，以制定支持跨境数据流动的规范。例如，于去年发布的《亚细安数据管理框架》（ASEAN Data Management Framework）促进企业进行个人资料的跨境转移。这个框架获得亚细安所有成员国的认可。
29. 我们也一直和学府以及业界伙伴紧密合作，培育科技专才，包括拥有人工智能和云科技等方面高端技术的人才，以壮大新加坡的人才库。
30. 另外，我们也将更新我们的政策和条例，包括数据保护政策和网络安全条例，以更好地保护我们的企业和人民。

Conclusion

31. 当然，政府所作的投资只能辅助而不能替代企业界的自我更新。因此，我要再次感谢中华总商会多年来一直努力不懈地推动并协助无数企业迈向数码化。现在，总商会更是再接再厉，协助会员了解什么是新兴科技，以及如何把握新契机。
32. 尽管未来的道路难免会有一些不确定性，但政府致力和你们以及各领域的合作伙伴共创解决方案，突破局限，携手并进！
33. 谢谢大家！

