SPEECH BY TAN KIAT HOW, SENIOR MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION, AT BUSINESS CHINA'S SINGAPORE DIGITAL ECONOMY ROUNDTABLE ON 6 JUNE 2023, 4.35PM

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Ladies and Gentlemen

Introduction

- I am happy to join all of you here today with the Business China network to discuss emerging technologies and the digital economy.

- Singapore and China have been steadfast partners in the digital domain with strong political commitment from top leadership.

- In March this year, Prime Minister Lee Hsien Loong and President Xi Jinping agreed to upgrade our bilateral relationship to an "All-Round High-Quality Future-Oriented Partnership".

The Potential of Harnessing Emerging Technologies

- In the area of emerging technologies, for example, blockchain, Singapore has deployed Blockchain in multiple sectors from Trade to Health.

  o We have developed TradeTrust, which digitalises trade documents into Electronic Transferable Records, improving efficiency and reducing costs for cross-border trade.

  o We also have HealthCerts, a set of interoperable digital standards for issuing COVID-19 test results and vaccination certificates. This makes it more convenient for travellers to digitally store and share their COVID-19 health data.

- Another emerging technology is Generative AI, which is on everybody's mind, especially with the explosive launch of OpenAI's ChatGPT.

  o I am sure both AI and Web 3.0 will intersect to offer greater potential, enabling us to innovate and try out new ways of improving business efficiency and creating new business models.

- For example, Web3.0's decentralised nature could vastly improve AI models through the access of diverse datasets.

- This can promote greater collaboration between developers, accelerating the innovation of more immersive and personalised virtual experiences.

- In the various emerging technologies in Singapore, we think about three enablers that are important to support the growth and development of an ecosystem around technologies like Web 3.0. The enablers are **trust, application, and connectivity.**

Trust

- First, the adoption of emerging technologies requires a foundation of trust. Technology brings immense benefits and opportunities but also introduces risks. For example, AI can perpetuate dangerous biases if models are trained on incomplete data.

- A lack of digital trust will impede the adoption of new technologies and hinder innovation.

- In this area, we are looking at how we can continue to generate an ecosystem of trust. We have developed a Model AI Governance Framework. We apply this across different use scenarios, different economic sectors and different business applications, so as to allow businesses in different sectors to take a risk-based approach to tackle and mitigate those issues.

- For example, in the financial sector, the Monetary Authority of Singapore (MAS) has been inculcating responsible AI principles of Fairness, Ethics, Accountability, and Transparency into our financial institutions and FinTech companies through the Veritas project.

- We hope this benefits companies too. Fintech companies which have deployed responsible AI have an edge in accessing opportunities in Southeast Asia.

- I talked about trust and how to create an environment of trust through regulations, industry promotion, and bringing together different stakeholders in this ecosystem through private-public partnerships. Our vision and our hope is that applications and innovations that are tried out in Singapore can be trusted across different jurisdictions and different regulatory regimes.

Application

- Second, Singapore prioritises the application of emerging technology across sectors.

- We invest in blockchain innovation that fuel industry needs.

  o One good example is the Singapore Blockchain Innovation Programme (SBIP) has led to practical solutions, including supporting companies in utilising smart contracts more confidently and reliably.

- Like any other tool, the potential of emerging technologies can only be realised through diverse transformative applications in Singapore as the business hub and financial hub of

the region. Many decision makers of various industries are based here. The intersection of technology and applications can be found in many of the innovative applications of these technologies. As we sit at the heart of Southeast Asia, as a hub for sectors like technology, businesses, health and research, we are constantly finding new technologies that could be integrated to benefit the specific needs of communities and businesses.

- We talked about trust and application, which are two important enablers of the innovation ecosystem around emerging technology.

Connectivity

- The third important area is connectivity. Greater cross-border partnerships is important for us to thrive in today's increasingly contested and fast-changing world.

- Look at Singapore's past experiences. We were a maritime trading hub. Invested in technologies, we brought foreign investments in and became a manufacturing hub. Later on, we grew into a financial hub and a business hub that is well-connected with the world.

- In the next phase of our evolution, let's ask ourselves, how do we bring different stakeholders on trust, innovation, application and connectivity? We are always looking forward to working with close partners in the ecosystem, building across the different connections we have. So when I talk about connectivity, I speak not just about connectivity in terms of infrastructure, but also connectivity in terms of like-minded partners and countries.

- For example, IMDA signed a Digital Economy MOU with the Shanghai Municipal Commission of Economy and Informatization (SHEITC) to strengthen cooperation in areas such as digital connectivity, digital utilities, and innovation.

  o This MOU will support the development of digital technologies and common standards including exploration of e-invoicing and digital trade.

- Lastly, I want to talk about leadership – leadership of companies, organisations and societies. When I talk about trust, connectivity, innovation, application, ultimately it is for people. Even in the age of AI, an era of digital technology, the most important ingredient for success is all of us, notwithstanding differences in how we see the world, how we think about opportunities and challenges of new technologies. It is about the people and leadership and all of us coming together to find common areas of collaboration. Maintaining the kind of ethos where we do not look at outcomes in a win-lose mindset, whether it is terms of business cooperation, regulatory harmonisation or connectivity among like-minded economies and partners.

Conclusion

- I look forward to hearing from you as Singapore thinks about the next phase of digital economy growth, including on how you think about opportunities in AI, how to maintain

trust and innovation; and ultimately how to effect connectivity with all of you and the ecosystems you represent.

- Thank you!

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