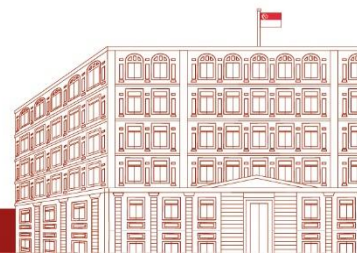




**Transcript of Opening Remarks delivered by Mrs Josephine Teo,  
Minister for Communications and Information,  
At Singapore Business Awards 2024 (16 May 2024)**

1. The Co-chairs of the Singapore Business Awards  
Mr Christopher Ong, Managing Director, DHL Express Singapore  
Ms Chen Huifen, Editor, the Business Times  
  
Colleagues and Friends
2. Good evening and thank you for inviting me.
3. I would first like to congratulate DHL and the Business Times for nearly 4 decades of partnership in presenting the Singapore Business Awards.
  - a. As joint ventures go, this has outlasted many others.
  - b. We are all glad that the business community is able to come together regularly to recognise excellence and celebrate the achievements of your leaders. I am told that even during the pandemic years, the SBA went on, and you continued to recognize and honour the shining lights among you.
4. As many of you know, Prime Minister Lawrence Wong announced three days ago that my ministry, the Ministry of Communications and Information (MCI) will be renamed as the Ministry of Digital Development and Information (MDDI). This follows from last year's decisive move to merge MCI and the Smart Nation Digital Government Group which is part of the Prime Minister's Office.
5. For those of us in Government, this change is actually not at all surprising.
  - a. It is in fact a natural progression from changes in the ministry's work scope that has been gathering pace.
  - b. Together, we have teams working in partnership with other agencies to negotiate digital economy agreements, build digital infrastructure and utilities, invest in R&D for the digital domain, grow enterprise digital capabilities, strengthen digital security and resilience, counter online harms, and strengthen digital inclusion for vulnerable groups.
  - c. About half of our 7,000-plus officers are focused on developing government digital services.
  - d. This is why Prime Minister Wong has said that the name change reflects my ministry's role in leading the national digital agenda.
6. Our progress in advancing digital developments often attract international attention. I am invited to speak at conferences and have for some time been introduced as Singapore's digital minister.
7. In fact, just last week, I was in Washington DC to speak at the AI Expo organised by the Special Competitive Studies Project, an initiative chaired by former Google CEO Eric Schmidt, who some of you probably know.





8. Also speaking at the Expo was National Security Advisor Jake Sullivan. He is one of the co-chairs of the Singapore-US bilateral dialogue on Critical and Emerging Technologies – along with Secretary of State Antony Blinken on the US side. On the Singapore side, the dialogue is co-chaired by our Foreign Minister Dr Vivian Balakrishnan and I.

9. The Expo was also a good opportunity to catch up with my old good friend, the US Secretary of Commerce Gina Raimondo.

10. In recent times, at such conferences, I have been asked why Singapore considers AI a strategic national priority. Here's what I say.

11. Usually, I start off with some facts as anchors.

- a. For example, the fact that in 1960, before Singapore became an independent country, our per capita GDP was about US\$400<sup>1</sup>. Today, it has grown 200 times, to around US\$80,000.
- b. For a mature economy like ours, sustaining wage growth for the broad middle is no easy task. And yet over the last 10 years, real median wages have continued to grow at around 2% per annum.

12. This is not to say that we don't have challenges. We will need to continue leaning forward to bridge income inequality which has in fact narrowed and also tackle wealth inequality. But even to keep real median wages growing will take much effort, and these efforts need to collectively lead to a raising of productivity, which is the only way we can sustain continuous wage growth.

13. AI, as a general purpose technology, has the potential to raise productivity across many settings.

- a. As with past waves of technological breakthroughs like the internet and mobile, it will be vital to achieve a high degree of diffusion.
- b. This means we must make every effort to promote widespread adoption of AI beyond frontier firms, so that its benefits can percolate across multiple industries and economic activities.
- c. In other words, we must not only have a few dazzling use cases, but many applications that may not look all that impressive but bring practical benefits to people and organisations that use them.

14. This can be how we continue to uplift productivity, wages, and living standards.

15. Let me add that AI is a strategic national priority also because of the adjustments our people and businesses must make. While there are risks of job displacements and business disruptions, we will ensure that there are support measures in place so that everyone who is willing will get help to adapt and have new opportunities to thrive.

16. Internationally, one other area of interest is how the Singapore government itself will use AI. Tonight's guests are mostly from the private sector, and we will be very keen in

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<sup>1</sup> Figures indicate GDP per capita in current US\$. Singapore's GDP per capita in 1960: \$428; US' GDP per capita in 1960: \$3,007. (Source: data.worldbank.org.)





government to learn how you are using AI. In the spirit of sharing, here are some of our initial thoughts.

17. As context, our government expenditure is about 18% of our GDP, which is less than half of the OECD average. Clearly, efficiency has been a central focus, by using resources in a lean way to improve outcomes for citizens. Today, 99% of all government transactions with the public can already be completed digitally, even though we keep non-digital options for those who need them.

18. Like the private sector, the Government is exploring ways to apply AI and other digital technologies more broadly to be more efficient.

- a. One way is to build digital utilities like Singpass that make it easier and more efficient for citizens to transact across all government digital services. You don't need to establish a new identity for government service that you transact online.
- b. Another way is to improve data access and use to better inform policy-making.

19. At the task level, we have been very encouraged by the enthusiasm of our officers.

- a. For example the Maritime Port Authority. It is now developing an AI solution to verify 12,000 ship insurance documents yearly for the renewal of statutory certificates of Singapore-flagged ships.
- b. It is an administrative hassle we can't avoid, but this solution can help streamline the application process and will eliminate 270 man-days of manual work each year, freeing up teams to work on other tasks.

20. This is just one task in a single agency. If we consider what AI can do to improve efficiencies for multiple tasks performed by multiple officers across multiple agencies, we can imagine how all these manpower savings will add up.

21. But efficiency is not our only goal. We also want the government to be more effective in delivering services to the public. AI can help in at least two aspects – precision and personalisation.

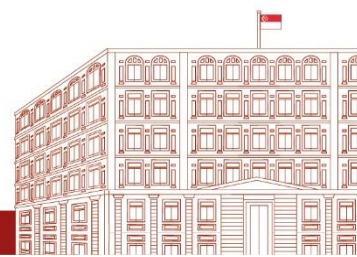
22. First, precision.

- a. For example, for train services, we've moved from corrective maintenance to preventive maintenance.
- b. Now the challenge and opportunity is in predictive maintenance. AI and machine learning is good for this sort of thing.

23. Second, personalisation.

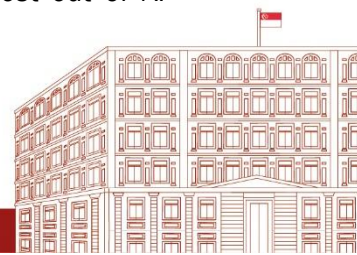
24. As businesses, you know that mass customisation as a concept has been talked about for years and finally, with AI, we may be able to do this at a greater scale. I can think of some ways how this can be done.

- a. For example, when you search for information about how the Government can help with a business challenge, do we really have to trawl through pages of information about all the schemes and payouts, or can a simple query provide only information that applies to your business?





- b. In some hospitals, dosages can already be varied and optimised for each patient.
  - c. In schools, teachers are experimenting with personalised learning plans.
25. In a nutshell, the Government looks at AI tools as a way to better serve citizens through enhanced productivity, precision and personalisation.
- a. There are many countries in the Forum of Small States, of which Singapore is convenor, who wish to tap on our experience and who we are happy to share learnings with.
  - b. Hopefully, this will also allow us to live up to our vision of AI for the Public Good for Singapore and the World.
26. Let me conclude my remarks this evening by offering some thoughts about how we hope to partner industry to fulfil our aspirations in AI.
27. The starting point is that we do not believe the Government to have all the answers and best practices.
- a. We do not have a “not invented here” mindset.
  - b. If the private sector can do some things better or has tools that work well, we are happy to partner with you. This is part of the reason we have a “cloud first” strategy.
28. We can also see industry contributing meaningfully to build new capabilities for Singapore.
29. One is to help build skills.
- a. We have set aside significant funding and articulated specific aims in growing the pool of AI creators, practitioners, and users here.
  - b. Companies like Google, Microsoft, Oracle, and Amazon have also outlined ambitious plans to equip our local workforce with AI skills.
  - c. We welcome others who can work with us to train and level up our workers.
30. Another way to partner the industry focuses on developing solutions.
- a. This could be through AI centres of excellence (CoE), within companies or across sectors. A good example of a company CoE is American Express, using AI and machine learning for credit and fraud detection.
  - b. We are developing an AI CoE for the manufacturing sector that will be launched by end-2024.
  - c. We also are working with AI solution providers to give SMEs an opportunity to test generative AI solutions to improve marketing, sales and customer engagement through a sandbox launched by IMDA and ESG.
31. A third important area is in AI Governance. Our aim is to get the most out of AI innovations while managing the downside risks.





- a. Take AI Verify, our homegrown testing framework and software toolkit that was one of the first in the world to be introduced.
  - b. In this project, IMDA worked with multinationals and startups alike on practical ways to validate the performance of AI systems.
  - c. Last year, we set up the AI Verify Foundation to engage an even wider community of developers, practitioners and policy-makers, to further develop the tool and promote its use.
  - d. On the international circuit, I have been pleasantly surprised at how often people come up to me and ask about AI Verify.
32. Taken together, these examples I have cited show that when we partner industry, we have a much better chance of unlocking AI's transformative potential for Singapore.
33. And that is what I believe will give us a distinctive edge in AI as well as digital development – a strong partnership approach that brings together complementary strengths to create new sources of competitive advantages for our industries and our economy.
34. Tonight, as we honour the shining lights of Singapore's business community, I'm also excited by the prospect of who else and what else will blaze a trail. I call on you to join in this journey of AI development as it unfolds, and help keep Singapore in the global mindshare as one of the best places in the world for AI innovation.
35. Thank you and have an enjoyable evening!

