

Opening Remarks by Minister for Communications and Information S Iswaran at MCI Insights Conference 2020 on 16 November 2020

Distinguished Guests
Ladies and Gentlemen

Introduction – Digital Watershed

1. Good morning everyone, and welcome to the MCI Insights Conference 2020.
2. Many of our partners are here today and I know we also have many who are dialing in. Thank you very much for joining us at this MCI Insights Conference. We wanted to go ahead and do this, continuing the tradition of having this annual event by MCI with our partners because regardless of the challenges that we face, it is important that we continue with our long-term mission whilst we address the immediate challenges. Let me get going on a quick summary of some broad initiatives that we have undertaken and we want to undertake, and more importantly, register with you why we are doing some of the things we are doing.
3. Firstly, digitalisation is not a new thing. It has been in our lexicon for quite some time. In 2014, Prime Minister Lee Hsien Loong launched the Smart Nation initiative, and we have since launched many programmes. But the pace of adoption of digitalisation has been quite varied across sectors, across enterprises and across individuals. So, I would say that COVID-19 and these past six months, have really been a digital watershed. What I mean by watershed – well, the data shows.
4. The number of SMEs going digital has more than doubled over the past six months. We were starting from a low base for nationwide e-invoicing but the fact that there is a twentyfold increase of growth is impressive, and e-payment transactions have more than tripled. Many of us who are well-aware in the industry, talked about how changes we expected to take place over the next two to three years have been compressed into six months, and this really demonstrates it. If you look at our own Gov.sg WhatsApp messaging service, there was an exponential growth in the number of subscribers. We started with 7,000 in January 2020 and it is at about 1.2 million subscribers now. NLB's eBooks loans increased as well, especially during the Circuit Breaker period. The downside is that while digital exposure has increased, malicious phishing is also higher, doubling the number compared to the previous period. Again, this is where a lot of the effort we are undertaking in cybersecurity is key.
5. The crux of this is that digitalisation has hit home. There was an element of complacency but that has been very quickly overtaken by events, and many have

seen a mindset change. I describe it this way because when I was talking to some SMEs several years back – I have had these conversations for some time now as you know – they would give me a polite hear but I know that they were thinking differently. These days, it is very different. I would say how it has evolved is from “no need to have”, to “nice to have”, to “good to have” and now, “must have”.

6. The mindsets have changed indelibly, and the shift is undeniable but what it means now is this – execution is key. We have to change the ideas, turn the plans into actions and outcomes on the ground. That is the crux of it – whether we are talking about individuals taking charge, companies taking charge of their own plans and Government programmes at the national level. This is going to be the essence.

7. Let me start by saying that we are in uncharted waters. The terrain is fluid and dynamic – that is why the theme of this conference is particularly relevant because we are talking about creating new opportunities, forging a thriving digital future for all, and working in partnership so that everyone can succeed in this endeavour to create a shared digital future for all. That is our focus, mission and something in which we hope all of you will continue to be our abiding partners.

Laying Strong Foundations

8. Let me start with the foundations. We have laid strong foundations for our digital future through our digital infrastructure. A key initiative is the 5G system – we are going to have two nationwide 5G networks by 2025 and 50% coverage in two years. This is key because it is going to be the backbone of our digital economy. We are already doing use-case trials, working with solution providers, end users and the telcos. Complementing the 5G effort is cybersecurity because as the digital footprint expands, with it comes the risk of cyberthreats. If you go beyond that, we are looking at data. Data is the key resource for the digital economy, and we want to create that strong foundation of data infrastructure.

9. One case in point which demonstrates how we are working with the industry and addressing the data initiatives is the Emerging Stronger Taskforce’s Alliance for Action (AfA) on Supply Chain Digitalisation. A group of private sector partners involved in the supply chain have come together to look at the pain points and issues that need to be addressed, and what can we do about it from the Government working with the private sector perspective.

10. One key area they have identified is the need for common data infrastructure for trusted and secure sharing of data across the supply chain. We all know the supply chain and the logistics sector and if you look at the entire way economic value chains are being restructured, and along with them the digital flows as well; it is inevitable that the supply chains have to adapt and one important adaptation is how

they go digital. We have had other initiatives like TradeTrust, where we have trust frameworks for digitalising documents. But here, the common data infrastructure aims to bring together different players across the value chain like companies involved in the logistics, the MNCs, the large local enterprises and SMEs, our banks and financial institutions involved in trade financing and even the customs regulators. This will eliminate the paper flow and increase the data flow, enhance clarity and ability to assess; and oblivate the need for paper documentation to validate transactions and the movement of products. This is a key thing for a financial institution.

11. I am very proud to share with you that this is an important ground-up initiative from the private sector which IMDA, MCI and other Government agencies will fully support it. I want to, at this point, acknowledge two partners in particular from the private sector who have led this initiative – Group CEO of PSA, International Mr Tan Chong Meng, and CEO-APAC of Trafigura, Mr Tan Chin Hwee. Thank you very much.

12. The last part of this data infrastructure is complementing the digital infrastructure with regulation because we need good regulatory infrastructure. We just moved the amendments to the Personal Data Protection Act (PDPA). A key challenge is finding that balance between personal data protection versus legitimate use by enterprises. This is our key challenge and so what we have done in the amendments to the PDPA is on the one hand, make it easier for companies to use the data, make it clearer and more certain for them the terms and the basis on which they should do so. On the other hand, heighten the assurance to our broader citizen population on how their personal data will be protected with clearer regulations, on what we expect companies to do before they use the data.

13. We are also working on the Electronics Transactions Act, because this is a complementary move to create greater certainty for electronic documentation to support economic transactions.

Investing in Enterprises

14. Let me now move to what we are doing with our enterprises. SMEs Go Digital was launched in 2017, about three years ago. Today, we have more than 50,000 SMEs benefiting from it, roughly about a quarter of our enterprise space, but we should really be doing more. You have seen adoption numbers doubled in the last six months, so that ratio should be getting quite close to some serious numbers – it is a proportion of our base by some time next year. Again, a lot rests with our SMEs and the SME owners themselves.

15. Another area is Grow Digital, which helps companies use digital platforms to go international, and we have about 1,400 SMEs that have come onboard. This was only launched in June this year, so this is quite a good take-up rate. We also have the Digital Resilience Bonus to help companies, especially in sectors that are hard hit like retail like food services, to adopt digital technologies and to find solutions. We also already have good take-up rate in terms of this initiative.

Investing in our Workforce

16. Let me turn now to our workforce because at the end of the day, we want to create opportunities for people in this new digital economy in the digital environment, and ICT has been the bright spot. We have created about 18,000 ICT jobs and skills opportunities – these are listed on the SG United Jobs and Skills Package which was put up in April 2020 and it continues to grow. Importantly, we are broadening TechSkills Accelerator (TeSA). About 5,500 locals will be trained in emerging and common technologies – we are talking about tech heavy or deep tech capabilities like Product Management, Software Engineering, Data Science and also, some of the tech light or tech complements like business and creative competencies. Essentially, Digital Marketing and Business Analytics are other areas which we want to develop in our people, as a capability to support the broader digital ecosystem.

17. IMDA and DISG have been working closely with many companies on the TeSA Company-Led Training because in the end, we think companies leading this effort are going to make the biggest impact because they will be able to validate the value of the training that has been received. Digital giants, like Google, have partnered with us. Google's Skills Ignition SG programme will train about 3000 Singaporeans in areas like Digital Marketing and Cloud Technology. While it is not entirely altruistic as there are also roles that serve their own ecosystem, interests and purposes; it is alright as long as we can find common cause and put together. Similarly, local unicorns like Sea Limited (Shopee is one of their entities) is working with us to hire and train 500 entry-level and mid-career professionals.

Investing in our People

18. Let me finally turn to investing in our people, because it is not just about the infrastructure, the businesses and the workforce – it is also about the larger society. We need to take an inclusive approach if we are to take the whole society with us in this major transformation that is taking place in Singapore.

19. We have launched a nationwide digitalisation movement, epitomised by the establishment of the SG Digital Office which was only set up in June this year. In four to five months, the team has accomplished a great deal. There are 1,000 Digital Ambassadors embedded on the ground in the different constituencies, different

community centres, working with the people at the ground level. There are 60 SG Digital Community Hubs, and there are also 150 roving counters as well. What we are doing is basically from the last mile to the last inch. In other words, to the digital extremities. We may have gone digital, but we have not gone metric, yet in our analogies, so we shall stick to wasting two miles and inches for now, if people understand that better.

20. What does it mean? We have 40,000 seniors who have been reached so far. Our aim is to reach 100,000. Stallholders – they are really one of the smallest business units you can find in Singapore. So far, 8,400 of them have used the SGQR unified e-payment solution. If a hawker can do it, anyone can do it or should be able to do it. We want to reach the next phase through the Heartlands Go Digital and our aim is to reach 20,000 heartland businesses. In other words, really reach out socially and economically in order to bring everyone together.

21. The thrust is really this – we want to work with all our partners in building this safe and inclusive digital future by investing in digital access and skills, in lifelong digital learning and also in online safety and wellness.

Partners for a Shared Digital Future

22. To achieve this, we need partnerships with all of you. In the lead up to this, we had some pre-conference sessions, led by various members of the MCI team. One was on innovation, opportunity and talent, chaired by SMS Janil Puthuchery. The focus was on how to combine the head, heart and hand in the future of work and how companies are supporting this by nurturing digital and soft skills as well as advocating for physical and mental wellness.

23. We had another session chaired by Chief Executive of the National Library Board Ng Cher Pong on creating lifelong learning communities, and the emphasis was on how this has to be nurtured in schools, workplaces and in the community. It also requires a spirit to unlearn, relearn and continue learning.

24. SMS Sim Ann led an Emerging Stronger Conversation on digital readiness, and they discussed the acronym, TECH – Togetherness, Education, Contribution and Heart. The execution and how we get it done is key and it is about helping those who are digitally marginalised access the resources through technology.

25. There was a session on content led by Deputy Secretary of Ministry of Communications and Information Aaron Maniam. It was about how the virtual space is challenging our existing assumptions about how we do not need to think of our physical size as a binding constraint. It allows us to really overcome that, transcend

that, and reach out to maximise the potential of Singapore. However, we do need to reallocate our resources for this to focus on innovation and digital pushes.

26. In sum, the digital terrain is a fluid one. We all know that. We also know that it offers many opportunities, but it is unpredictable. There may be winners, there may be losers. We need to make sure that as far as possible, we enable as many of our enterprises and our workers to be on the right side of that ledger. To do that, deep and broad partnerships are key, so that we have the ability to maximise the benefits and minimise the risks, given the nature of the challenges that we are undertaking.

27. So, where are the areas we can work together to tap on this collective expertise? I just wanted to touch on this briefly and then we can take it up in conversation. Essentially, we need to broaden the way we work together, because the environment is challenging, it is fluid; and we are seeing significant flux.

28. First, ideation – coming up with new possibilities, regardless of the possible constraints that you may encounter; and starting to generate that. This is where we need the partnership with the private sector and I have shared with you, for example, what the Alliance for Action (AfA) on Supply Chain Digitalisation came up with. If we were burdened by constraints, we would not generate solutions or ideas like that. The crux of it is to have the confidence to generate new ideas and working in close partnership.

29. Second, innovation – turning these sorts of initial ideas and research efforts into value. Just as an example, what we are doing in 5G use-cases by working with our partners, the telcos, the end users and the solution providers; illustrates how we can go about this. Taking it from the lab, from R&D into market, into outcomes and value.

30. Third is in execution or implementation of the programmes. What we are doing with the SG Digital Office is that we have worked with corporate partners and community partners to help us reach out into the broader community. We need to do more of this. I am just using our SG Digital Office as one example of the way we are doing so.

31. Finally, inclusion – making sure that we are able to bring every member of our society together with us in this journey. Again, this is an area where we have scope for partnership, whether it is in making sure that they are informed, that they have the capacity. Whether it is the devices or the digital access and beyond. How can we work together to raise this capacity so that everybody has a role in this future.

32. Ideation, innovation, implementation and inclusion. These are some of the key pillars we can work around. I am very open to more ideas and my colleagues at MCI will be very happy to work with all of you in this effort.

33. I want to end by thanking all of you for answering the call to action, because many of you have already been working with us in different ways. It has made a big impact, in terms of the outcomes you have been able to achieve on the ground, and we are looking forward to working closer with all of you so that we emerge stronger together in a digital future.

34. Thank you very much for joining us.