

**SPEECH BY SENIOR MINISTER OF STATE, MINISTRY OF COMMUNICATIONS AND
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STRENGTHENING PARTNERSHIPS FOR THE DIGITAL ECONOMY 2.0

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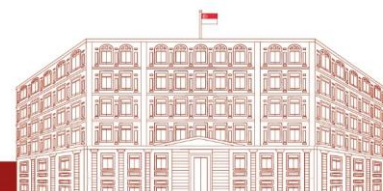
Ladies and Gentlemen,

Introduction

1. Good morning and thank you for the warm welcome. I am happy to be here at the 10th edition of the AWS Summit Singapore. Congratulations on your 5000-day milestone, which Priscilla shared in her opening address.

2. AWS and Singapore have built a strong partnership over the years.
 - a. AWS launched its first Asia Pacific Singapore Region in 2010. At that time, it was AWS's first expansion outside of the US and Europe.

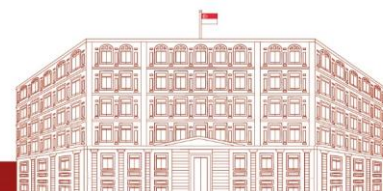
 - b. Since then, AWS has invested over S\$11 billion in Singapore, building up its cloud infrastructure and ecosystem to support customers in Singapore and the region.



- c. Today, Amazon hires more than 2,000 workers across its business units in Singapore including its cloud services, operations, logistics, and data engineering teams. These employees, a majority who are Singaporeans and PRs, are taking on exciting jobs at the frontier of technology and helping to drive technology development and business transformation across the region and beyond.
3. Partnerships with companies like AWS have contributed to the growth of our digital economy.
 - a. Singapore's digital economy generated S\$106 billion dollars' worth of value-add to the economy, which accounted for about 17% of our nominal GDP in 2022.
 - b. Overall, the digital economy grew at a compound annual growth rate (CAGR) of about 12.9% p.a. since 2017, outpacing the overall economy.
 4. The vibrant digital economy has also generated good job opportunities for Singapore.
 - a. Today, we have about 210,000 tech professionals, a 4.7% increase over the last five years.
 - b. About 7 in 10 of tech professionals are locals.
 - c. Within the tech sector, there are also about 7,000 job vacancies according to an MOM survey.

Positive Outlook for the Digital Economy

5. The outlook for the digital economy remains positive.
 - a. We see continued strong momentum on digitalisation across industry sectors and across the region, not just larger enterprises but also SMEs.

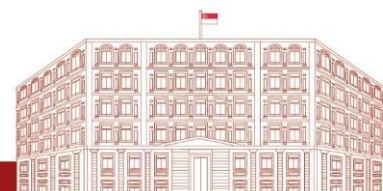


- i. For example, the technology adoption rate amongst SMEs in Singapore increased from 73.8% in 2018 to 94.3% in 2022.
 - ii. SMEs in the region are also estimated to deploy an additional US\$130 billion to digitalise their business activities over the next three years¹.
- b. These examples point to the further growth of our digital economy in the region, including Singapore.

Digital Economy 2.0

6. The Government is building on this strong Digital Economy foundation.
- a. We had launched the Digital Connectivity Blueprint and refreshed the National AI Strategy last year, and will soon release the Digital Enterprise Blueprint later this month.
 - b. These efforts chart our approach to position Singapore to ride the next wave of digitalisation and take the Digital Economy from 1.0 to 2.0.
7. The Digital Economy Blueprint focuses on empowering enterprises, especially the SMEs. Broadly, we will do so through 3 thrusts:
- a. First, we will empower enterprises to **Be Smarter** through using AI-powered digital solutions. We will help enterprises and workers access the benefits from AI through **IMDA's SMEs Go Digital programme**, which curates a list of pre-approved digital solutions suitable for broad based adoption, which will see more solutions that are AI-enabled. For enterprises who want to do more, we are also supporting them

¹ Source: <http://www.techinasia.com/smes-sea-invest-130b-digitalization-report>

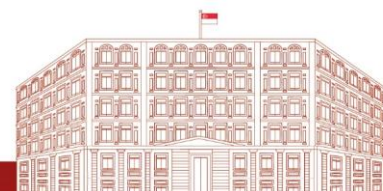


through our Advanced Digital Solutions scheme, which helps bring together the tech ecosystem to curate solutions for key problems identified by sector leads.

- b. Second, we will support our enterprises to **Scale Faster** through the adoption of integrated digital solutions. This is because SMEs have shared that they were constrained by the lack of interoperability and scalability of their digital solutions. We will therefore step up our effort to (a) include more integrated digital solutions under the SMEs Go Digital programme, (b) stipulate inter-operability requirements where possible for these solutions, and (c) encourage more of these solutions to be cloud native for greater scalability.
 - c. Third, we will also equip enterprises to **Be Safer** by improving their cyber resilience. We will support SMEs in taking steps to improve their cyber hygiene by launching a cybersecurity health check tool for enterprises to assess their cyber hygiene, benchmark themselves against their industry peers and access resources for them to plug the gaps.
 - d. We will also go upstream and raise the cybersecurity standards of the digital systems used by our enterprises, and work with sector-leads to develop industry-specific guidelines for cybersecurity.
8. We will share more details at the launch event for the DEB, which will take place at the end of the month.

Strengthening Partnerships for Digital Economy 2.0

9. Cloud service providers like AWS play an important role in growing the digital economy ecosystem. Besides being a foundational digital infrastructure for organisations, cloud service providers enable enterprises to easily access digital resources like compute and storage, as well as advanced capabilities like AI.



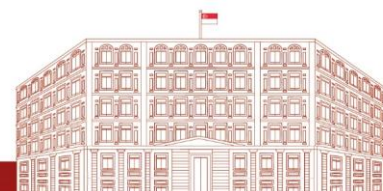
10. Therefore, I welcome AWS's commitment to strengthen its partnership with Singapore by investing an **additional S\$12 billion here by 2028**.

11. Besides growing its cloud infrastructure and services in Singapore, AWS will also contribute to the vibrancy of the broader cloud services ecosystem, especially in getting more organisations to adopt cloud services and AI capabilities.

12. **[Announcement] As part of this effort, I am glad to announce the launch of the AWS AI Spring Singapore programme!** This will be a multifaceted collaboration between AWS, the public sector, and private sector enterprises.

13. There are six strategic pillars in this comprehensive AI program that aims to accelerate the adoption of AI by public sector agencies and enterprises.

- a. For example, in partnership with IMDA, AWS will make available their products like Amazon Bedrock, Amazon SageMaker, and Amazon Q to local enterprises.
- b. These products would allow enterprises to more easily develop AI solutions for their business problems.
 - i. For example, Amazon Bedrock allows developers to easily incorporate generative AI into their applications. By using one single API, developers get access to foundation models from companies like Anthropic, Meta, and StabilityAI, in addition to Amazon. Enterprises can then easily mix and match these AI models to build generative AI applications based on their use case.
 - ii. Another example is Amazon Sagemaker. This tool is designed for data analyst, data scientists and AI engineers to tinker with AI models. They can fine tune models to adapt and suit their enterprise needs and use it to





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build a large language model operations to model the performance of their models.

- c. AWS will also collaborate with IMDA to help local enterprises leverage GenAI. Under IMDA's GenAI x Digital Leaders Programme, this new collaboration with AWS will help enterprises identify business use-cases, navigate technical complexities, and deploy their own customised GenAI digital solutions. The GenAI x Digital Leaders initiative is for larger and more digitally mature enterprises looking to develop and deploy their own GenAI digital solutions suited for their business needs with the support of tech vendors and technology giants.

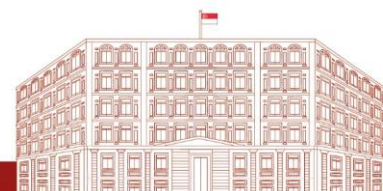
14. So there is a programme for all enterprises, across different sectors and different sized companies at different stages of digital maturity. Just come aboard and take the first step to transform yourselves and harness the opportunities with cloud and GenAI.

15. These offerings will greatly enable our enterprises to develop solutions to improve business efficiency, streamline costs, and deliver more intuitive and personalized solutions for their customers.

16. **[Announcement] AWS will also commit to build the tech workforce capabilities to develop and deploy AI-enabled digital solutions.**

- a. AWS' AI Spring Workforce pillar will see AWS collaborating with ITE and Polytechnics to incorporate AI into their curriculum. This will help build industry-relevant competencies for students. This is in line with AWS' contribution to IMDA's TechSkills Accelerator (TeSA) for ITE and Polytechnics Alliance (TIP Alliance), which aims to strengthen ITE and Polytechnic graduates' employment outcomes in tech and provide pathways for them throughout their careers.

- b. This is an important commitment. Not just because you are creating good opportunities for ITE and Polytechnic graduates, but also an important shift in



Singapore on how we want to acknowledge and recognise skills, and a broader definition of meritocracy.

- c. The curriculum will include content from AWS Academy which covers AI modules like “Machine Learning Foundations”, and “Machine Learning for Natural Language Processing”, in addition to their Cloud modules like “Cloud Foundations”, “Cloud Development”.
- d. Besides curriculum, AWS will also facilitate hands-on learning by supporting the development of AI Labs, and offering their gamified teaching assets like AWS DeepRacer and League of Large Language models, which introduce a fun way of acquiring skills in AI and Machine Learning.

Conclusion

17. In closing, I would like to wish AWS success in your investments here, and for your commitment to advancing our digital economy, especially in AI. Together, we will continue to push the boundaries of what is possible, ensuring that Singapore remains a global hub for technology and innovation.

18. Thank you.

