

**Speech by Mr S Iswaran, Minister for Communications and Information At DBS  
Digital Day on 16 September 2020**

Mr Piyush Gupta, CEO DBS  
Distinguished guests,  
Ladies and Gentlemen,

Very good morning to all of you

1. Let me start by thanking DBS for the kind invitation to speak today. This event continues DBS's tradition of being a strong champion for digital transformation, in Singapore and abroad. I am looking forward to exchanging ideas with my fellow panellists later on how businesses and Government can work together to secure our digital future.
2. Today, we meet in challenging and unprecedented circumstances – what our Prime Minister Lee Hsien Loong has described as the “crisis of our generation”. COVID-19 has ravaged economies and disrupted livelihoods everywhere. And we know that the post-COVID-19 world will be profoundly different. McKinsey has described it as the ‘next normal’.
3. Let me highlight a few significant shifts that have been caused by the pandemic:
  - a. First, COVID-19 has led to profound disruptions in global trade and supply chains. This has forced both countries and businesses to think beyond cost efficiency and growth, to prioritise resilience and against the backdrop of growing tensions between the major powers, **the merits of free trade and global integration are increasingly being challenged by populist rhetoric.**
  - b. With lockdowns and safe distancing measures being implemented in many countries, the ways in which we live, work and play have also been altered permanently. Many more are embracing e-commerce, accelerating the digital migration of businesses. Telecommuting, e-learning and online seminars — such as this one — have also become the norm. So, COVID-19 has **reinforced the imperative for businesses and individuals to be digitally-ready.**

4. Businesses must chart their path forward now, and lay the digital foundation for future growth and competitiveness. Countries must do likewise. In recent decades, Singapore has navigated the Asian Financial Crisis, SARS, and the Global Financial Crisis. **Each time, we capitalised on our strong foundations and adapted swiftly and decisively to new circumstances.** Similarly, even as we continue to battle COVID-19, we have already begun our efforts to address the dislocations caused to our businesses, workers and society, and to position ourselves to reap longer term opportunities.

5. To emerge stronger, I believe we need to do three things:

#### **A. Connect globally**

6. **First, we need to connect globally.** Singapore has been a consistent advocate for an open and integrated global economy. We have developed a robust and extensive network of connectivity with the rest of the world. While the pandemic has prompted some countries to look inwards, we believe that a more effective way to build resilience is through openness and greater diversification. The global alliance of nations must commit to keeping markets open and trade flowing.

7. In tandem, Singapore will continue to enhance our support for businesses, which can capitalise on our status as a hub to connect globally. For starters:

a. Businesses can enjoy preferential access with lower tariffs and non-tariff barriers to economies that represent more than 85% of global GDP, through our extensive network of 25 Free Trade Agreements.

b. We are also building an international network of digital partnerships to help businesses manage their global platforms and digital services out of Singapore. Our Digital Economy Agreements, with countries such as New Zealand, Chile, and Australia, help to establish common frameworks, inter-operable standards and rules for digital trade, that would allow businesses to connect seamlessly with their overseas partners. Talks are also underway with the Republic of Korea.

#### **B. Innovate and go digital**

8. **Next, we need to innovate and go digital.** Many businesses were compelled to shift online to overcome the immediate challenge of the pandemic. But, going digital also has long term economic benefits – it allows businesses to connect to global markets for supplies or solutions, and expand their customer base internationally. Businesses should therefore seize this opportunity to reorganise their resources, revamp their models, and redesign customer engagement. Doing so would not only enable them to adapt in the short term, but also opens up new possibilities in the longer term.
9. Emerging technologies such as blockchain, cloud and AI present opportunities for innovation with beneficial outcomes such as smarter and more transparent supply chains. Businesses which go digital can also obtain better insights through data and deliver more customised services and products to customers.
  - a. For example, DBS is partnering the blockchain platform Contour, so that its corporate customers can enjoy end-to-end letter of credit settlement processes. This shortens settlement time, reduces paperwork and simplifies complex trade processes.
10. Singapore has laid the foundations of our digital future through years of investment in people, infrastructure and international connections. In response to the pandemic, we are further ramping up support for businesses to innovate and go digital:
  - a. We have launched a series of National Innovation Challenges which fast-track innovation efforts. What would the future of tourism look like? How might we create seamless and safe events for visitors? How can we allocate resources dynamically? These National Innovation Challenges address nationwide challenges like these. It builds on existing efforts by the Infocomm Media Development Authority, Enterprise Singapore and the National Research Foundation to catalyse the development of new products, services and business models so sectors can recover strongly from the crisis. We have begun the open innovation call for the logistics, modern services and maritime sectors in July with \$40 million in funding support.
  - b. We recognise that SMEs may need more help and have increased funding support and expanded the scope of digital solutions under the SMEs Go Digital programme. We also introduced the Digital Resilience Bonus to uplift the digital capabilities of a broad base of businesses, starting with the food services and retail sectors. To enable businesses to tap into overseas markets in spite of travel restrictions, we launched Grow Digital in June this year so businesses can participate in e-commerce platforms

with regional or global reach. To date, more than 1,400 businesses have benefitted from the scheme.

- c. The pandemic has also underscored the importance of investing in our digital connectivity infrastructure and its cybersecurity. Singapore is forging ahead with our vision to have a world-class, secure and resilient 5G infrastructure that will be the backbone of our digital economy, and we are on track to offer nationwide 5G coverage by 2025. IMDA will continue to build strong partnerships with businesses to build sustainable 5G business use cases to pave the way for a vibrant 5G ecosystem here in Singapore.

### **C. Inclusive growth**

11. **Finally, we must ensure inclusive growth.** As interactions and commerce shift online, businesses will need to double-down on efforts to equip their employees with tech-related skills and invest in tech talent to boost their competitiveness. At the same time, we need to bring all segments of society along so that everyone can benefit from the digital dividend.
12. The Government regards businesses as essential partners in this endeavour. I am therefore heartened that DBS has partnered IMDA to train more than 240 professionals in digital skills such as data analytics and cloud computing under the Company-Led Training programme since 2013. This year, DBS has also recruited 13 mid-career professionals as part of IMDA's pilot TechSkills Accelerator Mid-career Advance programme to help mid-career professionals transition into these opportunities.
13. To accelerate digital adoption in our community, the Singapore Government set up the SG Digital Office in June. We are paying special attention to the elderly and vulnerable amongst us, mobilising 1,000 Digital Ambassadors to help stallholders adopt e-payment solutions and teach seniors digital skills. DBS has been a long-valued partner in our national digital inclusion efforts, donating financial resources to provide low-income families with digital tools and broadband connectivity, as well as train seniors in e-payment skills. We will continue to work with like-minded partners to drive our national digitalisation movement. I would like to invite more businesses to partner us in this national effort to ensure that everyone has a place in the digital future of Singapore.

14. To conclude, COVID-19 will have an indelible impact on our economy and society. How well we emerge from this crisis will depend critically on how businesses, industries, the labour movement and governments come together and take the necessary steps to adapt, collaborate and build a firm foundation for the next normal. With the support of all stakeholders, I am confident that we will surmount the challenges and seize the opportunities to forge a thriving digital future for all. Thank You.