



**Transcript of Speech delivered by Mrs Josephine Teo,  
Minister for Communications and Information,  
at SAP d-com (14 June 2023)**

Mr Clas Neumann, Senior Vice President, Head of Global SAP Labs Network

Ms Eileen Chua, Managing Director, SAP Singapore

Mr Manik Saha, Managing Director, SAP Labs Singapore

Colleagues and friends

1. Good morning, everyone. I am very happy to be joining you.

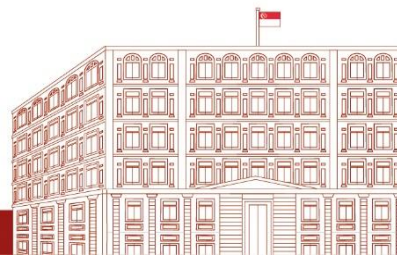
2. I am glad to hear that SAP Labs Singapore, which drives the development of AI features across SAP's entire enterprise product suite, will be expanding your AI Hub. Over the next two years, with the support of the Economic Development Board, I understand that SAP expects to hire up to 200 young AI talents from our institutes of higher learning. These will be to fulfill roles in AI Scientists, AI Development and AI Data Engineering. Once completed, this expansion will double your existing engineering workforce here.

3. I think it's fair to say that your announcement to expand the AI Hub speaks to the group's confidence in and commitment to building up AI talent in Singapore. It is an investment not just for Singapore's benefit. It also reflects the growing demand for AI solutions, delivered by global companies like SAP, which already has a very large base of customers. Many of your customers are now curious about what AI can do for them. They are receptive to your suggestions on how to use AI to make their operations more efficient and expand their opportunities for growth, as many of them now recognise that AI is set to revolutionise industries and the future of work.

4. Some research by the Boston Consulting Group shows that even modest investments in AI can generate meaningful revenue growth for companies. AI can also bring benefits to employees. Through expanded skillsets, they should be able to do more than they are able to do before while enjoying greater job satisfaction. But this is provided their employers invest in their training and redesign jobs appropriately to promote career growth because the potential for AI to disrupt the labour market is also very real. There is a concern that AI will be able to perform many of the functions that are currently performed by humans. What do we do to ensure that this AI is augmented intelligence, and helps people rather than replaces them? This is not a trivial question and something that requires a lot of thoughtful intervention and capital implementation.

5. Large enterprise software companies like SAP are well positioned to help businesses realise the tremendous value of AI. Building on your wide-ranging networks across the economy, you would already be aware how the latest AI-powered features can bring new value to your customers, and transform business operations, such as in supply chain management, customer relationship management and human resource planning.

6. That the potential of AI is within grasp, is thanks to the many engineers and developers of SAP Labs Singapore, together with the community of researchers, engineers, and developers around the world that are helping to use AI to improve business capabilities and employee resilience. In doing so, I believe you are in your own way, also contributing to what we hope to see more of in Singapore, and that is the use of AI for the Public Good, which was what I spoke about during the Asia Tech x Artificial Intelligence event last week.



7. AI for the Public Good complements the many exciting developments we find in industry and academia. Allow me to share some efforts that are shaping up quite well.

8. The first is our 100 Experiments, or 100E initiative, by our national AI programme, AI Singapore. It recognises that there are some problems in industry that cannot be easily addressed by off-the-shelf AI solutions. 100E plugs this gap by matching AI researchers with companies to develop customised AI products that serve a real need, and that can also have significant impact on wider industry.

9. In one example, AI Singapore and German mobility solutions company Continental jointly developed an AI tool to check and optimise the layout of car displays. This tool has since been deployed across development centres worldwide and have helped save man-hours for Continental and its OEM customers.

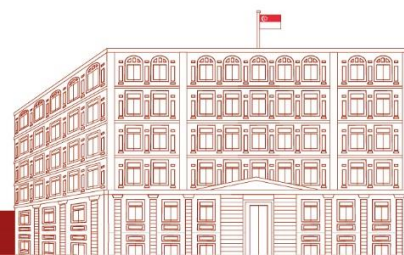
10. The second is our Company-Led Training Programme under our TechSkills Accelerator initiative. It recognises that projects to help industry leverage AI to solve real-world problem statements can also boost our AI talent development pipeline. These projects are valuable opportunities for on-the-job training for our fresh AI talent, many of whom are seated here today. This programme has trained and placed more than 2,600 individuals in AI & Data Analytics job roles since it started, and there's room for us to do more in this programme.

11. The third effort concerns our support for AI innovators in scientific communities. Over the last five years, we have invested about \$500 million in AI R&D under our Research, Innovation and Enterprise plan. I am pleased to share that over the next six years, the US-based philanthropic initiative Schmidt Futures will fund up to a total of 110 postdoctoral fellows at our local universities, NUS and NTU. These fellows will focus on using AI to accelerate discoveries in science, tech, engineering and mathematics. And we know from all our interactions with AI ecosystems around the world that those ecosystems that are complemented by deep research capabilities do so much better. For instance, a couple of weeks back when I visited San Francisco and was in an area known as Cerebral Valley, there were hacker houses that had founders and investors. But they were also very connected to the research communities. And sometimes, the research papers that are produced on Friday already get prototyped on the weekend. The level of energy that you find in these healthy ecosystems is what we would also want to grow here.

12. There is no doubt that we will need the full support of partners from industry, research, community and philanthropy, to harness the potential of AI. Indeed, last week, your Managing Director of SAP Labs Singapore, Manik Saha, was appointed as one of 18 Singapore Digital Leaders. This is a diverse and driven group of capable Singaporean leaders in the tech ecosystem whom we believe can take on more leadership roles to help bring Singapore's digital economy to the next level.

13. A thriving AI ecosystem must also be supported by robust infrastructure. You may be aware that we launched Singapore's Digital Connectivity Blueprint last week. It sets out our plans to ensure that Singapore's digital infrastructure remains world-class and future ready. Particularly relevant to our AI mission is how we plan to develop a roadmap towards Green Data Centres, because we know that AI uses a lot of compute and energy. And we think that AI can help to improve on our handling of challenges in sustainability, but the AI must itself become more energy sufficient. We hope that this will help us expand the compute capacity while taking care of sustainability concerns.

14. Finally, beyond having an ecosystem of partners and robust infrastructure, it is important also to nurture public confidence and trust in AI. Efforts by SAP to leverage large language models



for Explainable AI are therefore important steps in this direction. They complement the Government's own efforts to promote responsible AI use. These government efforts include our decision to open-source AI Verify, which is the Governance Testing Framework and Toolkit that we launched last year, as well as the release of a joint discussion paper by IMDA and Aicadium highlighting key areas of concerns with generative AI.

15. In closing, I want to congratulate everyone at SAP Labs Singapore on the expansion of your AI Hub and on kicking off the inaugural annual SAP d-com in Singapore today. That over 200 of you have gathered here today is a reminder that there is always a strong human component in any healthy ecosystem that can harness AI for the Public Good.

16. Thank you.

