

**Singapore Government**  
**MEDIA RELEASE**

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**OPENING ADDRESS BY MR SAM TAN, PARLIAMENTARY SECRETARY FOR TRADE AND INDUSTRY & INFORMATION, COMMUNICATIONS AND THE ARTS AT THE 13<sup>TH</sup> INFOCOMM COMMERCE CONFERENCE ON 20 AUGUST 2009, 9.40 AM AT SUNTEC SINGAPORE INTERNATIONAL CONVENTION & EXHIBITION CENTRE**

Mr Teo Siong Seng, President of the Singapore Chinese Chamber of Commerce & Industry

RADM(NS) Ronnie Tay, Chief Executive Officer of the Infocomm Development Authority of Singapore

Ladies and gentlemen

Good morning

1. It is my pleasure to be here this morning. This annual ICC event enjoys strong support from the industry and has grown to be a yearly technology know-how event that many enterprises look forward to. I hope delegates will make good use of this platform to share experiences, especially on ideas that have proven to be successful in the current economic conditions.

2. While the global business outlook remains uncertain, the Ministry for Trade and Industry has revised the 2009 growth forecast upward. The Singapore economy is expected to contract by 4 to 6

per cent, compared to the projected contraction of 6 to 9 per cent from its April forecast.

3. The Singapore Government has swiftly introduced measures, such as increasing the percentage support for financial assistance schemes and for manpower re-training, to help businesses cope with the economic downturn. Many of these measures are aimed at Small and Medium-sized Enterprises, or SMEs in short, which form the backbone of the Singapore economy. SMEs constitute 99% of Singapore's enterprises, accounting for about half of Singapore's GDP and employ six out of every 10 workers. Thus, it is vital that SMEs stay resilient during this downturn and emerge stronger when the economy recovers.

### **Leveraging Infocomm for Growth**

4. The economic crisis has led us to think hard about the viability and sustainability of our businesses - especially how important it is to remain flexible, create differentiation through innovation and provide added value to customers.

5. Many of you are familiar with the Chinese saying “危机都蕴育着商机”. Astute businesses can find opportunities even in the face of crises. The costs of doing business today are lower than 18 months ago. This presents SMEs an opportunity to upgrade themselves with important knowledge and skills. SMEs can use the window of lower

demands from running operations to refresh their business models and rectify process inefficiencies.

6. Our trade associations and chambers have established a strong network with the SMEs and the feedback we gathered from them shows that SMEs recognise the importance of infocomm technology as an enabler of competitive advantage. Infocomm can add a formidable international channel of revenue generation through web presence, as well as reduce the cost of operations through a plethora of operational efficiency tools and systems.

### **Infocomm@SME**

7. Let me outline the key initiatives that the Infocomm Development Authority has put in place to assist SMEs in the deployment of infocomm technology. Infocomm@SME (pronounced as “Infocomm at SME”) was launched in June 2007 as the umbrella for IDA’s SME initiatives.

8. Two main questions from SMEs embarking on adopting infocomm technology are how they can start and who they can go to for advice. IDA has set up two SME Infocomm Resource Centres, or SIRC’s in short, as convenient first-stop resource centres for SMEs. One of the SIRC’s is with the Singapore Chinese Chamber of Commerce & Industry, while the other is located at the Singapore Polytechnic. I am pleased to note that more than 4,000 participants from SMEs have benefited from training workshops, business clinics and other services organised by the two SIRC’s.

9. In June 2008, IDA launched the SME Infocomm Package or SIP, which subsidises SMEs in the set up of their first website as a means to increase their market presence. The subsidy was raised from \$1,000 to \$2,000 per SME in April this year, to lend a more substantial helping hand during these challenging times.

10. To date, SIP has helped more than 2,500 SMEs. ASTech Pte Ltd, an industrial systems integrator, is one such company. Just days after ASTech launched its web presence, it started to receive queries from potential international customers and was able to seal new business deals.

11. In addition to having a web presence, companies can use the multitude of social media platforms such as Facebook and Twitter to reach out to their customers. The increasing availability of enterprise platform services such as cloud computing, Software-as-a-Service and unified communications offer SMEs alternatives to high upfront ICT outlays.

12. SMEs planning to improve business processes or develop new capabilities using Infocomm can get support through the Technology Innovation Programme or TIP, jointly administered by IDA and SPRING. TIP incentivises SMEs on the use of infocomm to transform their businesses. In the past two years, at least 40 SMEs have received TIP support, with a total grant of more than 4 million dollars being awarded.

13. On the aspect of operational efficiency and effectiveness, I am pleased to announce that today, IDA, together with the Inland Revenue Authority of Singapore, is officially launching the Accounting Software Assistance Scheme, or ASAS in short. ASAS provides up to 50% subsidy for SMEs to acquire their first accounting software to improve their financial and book keeping practices. SMEs can purchase an accounting software that meets IRAS' requirements, and can claim a subsidy of up to \$1,500 per SME, including software customisation and training costs.

#### **Sectoral Approach to Accelerate Adoption**

14. As IDA engages the SME community, we have learnt that SMEs are more likely to embrace solutions that their business friends have had positive experience with. SMEs are also receptive to ideas that increase their bargaining position when sourcing for business solutions. In this regard, IDA has added the dimension of identifying infocomm adoption projects that benefit whole sectors in Singapore.

15. For example, the Association of Employment Agencies of Singapore, with the support of IDA, is developing a web portal for its 500 or so members to help each member establish its own web presence and automate their business processes. Besides helping them reach out to their prospective suppliers and customers, the portal can help business people increase their operational efficiency through tools such as e-forms and other online features.

## **Conclusion**

16. The theme of today's conference, "Do More with Less", is a highly relevant message given today's business conditions and it also brings focus to the opportunity for you to "revamp, renew and reinvent" your business through infocomm technology. On this note, I would like to wish everyone a fruitful session and all the best in your businesses.

Thank you.