

**SPEECH BY DR KOH POH KOON, MINISTER OF STATE,
MINISTRY OF TRADE AND INDUSTRY, AT THE
FRENCH CHAMBER GALA DINNER, ON
FRIDAY, 27 MAY 2016, 8.10PM, AT SHANGRI-LA HOTEL**

Ms Doina Palici-Chehab, President of the French Chamber of Commerce,

Your Excellency, Mr Benjamin Dubertret, Ambassador of France to Singapore,

Distinguished Guests,

Good Evening.

Introduction

1. Thank you for inviting me to your annual Gala Dinner. I am delighted to be part of this prestigious event which celebrates French creativity and gastronomy.
2. France and Singapore differ in history, geography and socio-cultural context. Yet, despite the differences, our bilateral relations are excellent. We have solid ties between our business communities. Our warm and longstanding friendship is underpinned by our shared interests as forward-looking countries that value creativity and innovation.
3. Creativity is a quintessentially French trait. From Molière to Nicolas-Joseph Cugnot, the French have shared their country's outstanding achievements and talents with the world.

Innovation is key to sustaining competitiveness

4. We live in an era of rapid technological advances that have a profound impact on our industries and business models. Major economies' continued efforts to restructure will also alter the global competitive landscape in the process.
5. France has been responding to these global realities. To stay on top of the competition, the French government launched the 'New Face of Industry' programme to prioritise 34 sector-based initiatives. Aimed at industrial renewal, the strategic plan promotes innovative industries and enables commercialisation of new technologies.
6. In Singapore, we also recognise the importance of innovation to the competitiveness of our economy. Creativity is synonymous with innovation, but also brings great value when translated to business. Simply put, creativity should not be viewed in isolation. When coupled with R&D and manufacturing support, it creates value and spurs job growth by strengthening industries and building new sectors. For this reason, I am pleased to note that Singapore and France were both ranked

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among the top 10¹ most innovative economies in the world according to the 2016 Bloomberg Innovation Index.

7. In the face of heightened competition and cyclical factors, there is impetus for us to innovate. Given the limitations of our economy, we need to move beyond “value-adding” to become a “value-creating” economy.

8. As part of a strategic review of our economy, we have created the Committee of Future Economy (CFE) to position Singapore advantageously for economic opportunities over the next 10 to 15 years. Under the CFE, several subcommittees are focused on Future Growth Industries and Markets, Corporate Capabilities and Innovation.

9. We are also embarking on a new Industry Transformation Programme (ITP). The ITP will allow us to take a more targeted and sector-based approach to transform industries and encourage technology adoption, innovation and internationalisation.

10. I believe there is much to be learnt from France’s experience as we seek to reinvent our economy. It is in the active exchanges of ideas and unique perspectives that allow us to grow richer in creativity.

Fostering collaboration between French and Singaporean businesses

11. French and Singaporean companies should work together to leverage the business opportunities brought about by disruptive technologies and innovation. By partnering French companies and sharing technological expertise, Singaporean businesses can benefit from France’s hotbed of innovation to sharpen their competitive edge.

12. There is also benefit to be reaped for French companies to collaborate and be part of our local R&D ecosystem. Earlier this year, the Research, Innovation, and Enterprise (RIE) 2020 plan was announced. \$19 billion has been set aside for this over the next five years. The RIE 2020 will support and translate research into solutions that address national challenges, and build up innovation and technology adoption in companies.

13. It is heartening to note that Singapore and France have existing robust partnerships. Our research institutes’ close collaboration boosts our innovation networks, adds to the lively exchange of ideas, and catalyses creativity.

¹ Singapore was ranked 6th while France was ranked 10th in the 2016 Bloomberg Innovation Index which measures criteria such as R&D intensity, manufacturing value-added and productivity among others.

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14. For example, I am encouraged to hear that the French business community is dedicated to forging more effective collaborations in customising urban solutions in Singapore. The French Chamber in Singapore spearheaded an 'Urban Innovations' initiative which put together a portfolio of 150 smart city solutions in partnership with 50 French companies and two research partners. It was a notable approach to engage the government to collectively envision novel solutions to meet Singapore's Smart Nation priorities. I would like to thank the French Chamber for beginning the conversation, and we look forward to a fruitful exchange and deepening of the public-private sector partnership.

Boosting bilateral relations

15. Such collaborations not only lead to more business opportunities, and stronger business ties, but also boost relations between Singapore and France. Indeed, many among the 1,500 French companies based here use Singapore as a launch pad to the burgeoning ASEAN region which represents a market of 600 million people.

16. As French firms focus their strategies to cater to the evolving consumer needs and tastes of this increasingly significant Asian market, they can benefit from using our small, multi-racial city to test-bed and customise their products. Through the Institute on Asian Consumer Insight, businesses can also better understand the cultural differences as well as genetic make-up of Asians who have different tastes and concept of beauty across Asia.

17. Singapore is already the largest export market for France in ASEAN and I believe this will grow once the EU-Singapore Free Trade Agreement (EUSFTA) comes into force. The EUSFTA will bring bilateral relations between France and Singapore to the next level. At the same time, it is an important catalyst to foster stronger region-to-region cooperation and partnership between the EU and ASEAN.

18. With that, I thank you once again for inviting me to this dinner, and I wish you an enjoyable evening basking in French creativity.

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