

OPENING REMARKS BY DR TONY TAN KENG YAM, DEPUTY CHAIRMAN RIEC AND CHAIRMAN NRF, AT THE MEETING WITH THE DUTCH INNOVATION PLATFORM, LED BY THE DUTCH PM, HELD ON THURSDAY, 22ND OCTOBER 2009

Prime Minister Jan Peter Balkenende

Ministers

Members of the Innovation Platform

Members of the Research and Enterprise Council

Ladies and Gentlemen

May I first welcome Prime Minister Balkenende and his distinguished delegation to Singapore.

It is indeed an honour for us to host this meeting to exchange views between the Dutch Innovation Platform and the Singapore Research, Innovation and Enterprise Council.

In 2004, when I was in the Cabinet as Deputy Prime Minister and Co-ordinating Minister for Security and Defence, Prime Minister Lee Hsien Loong asked me to chair a Committee to review the Research and Development situation in Singapore at that time and to recommend to the Government what changes, if necessary, should be made to enhance our R&D efforts.

At that time, Singapore's R&D was only managed by agencies in the Ministry of Trade & Industry – ASTAR with its research institutes and EDB which encouraged private sector R&D.

Other agencies like the Ministry of Health, Ministry of Environment and Water Resources and Ministry of Education which should have great interest for R&D and innovation in their respective areas of responsibility were not much engaged.

The prevailing philosophy, which was the common wisdom at that time, was essentially to let markets take the lead.

This was in line with the research philosophy in the US where it was commonly assumed that markets know best and governments should not be involved in directing the R&D efforts and should not try to pick winners.

I felt then that while this philosophy was suitable for a large country like the US with very large resources in talent as well as finances, it might not be the right approach for a small country like Singapore with limited talent and financial resources.

As part of the review, I visited a number of small countries in Europe, The Netherlands, Denmark and Switzerland to find out how these small

countries had reached a high level of excellence in science and technology, research and development despite their small sizes.

Following the review, I recommended to the Government in 2005 that the Singapore Government should establish the Research, Innovation and Enterprise Council (RIEC) and the National Research Foundation (NRF) to serve as the secretariat and operating arm of the RIEC.

Both recommendations were accepted by the Government.

In 2006, the RIEC and the NRF were set up with Prime Minister Lee as the Chairman of the RIEC and myself chairing the NRF.

A sum of S\$5 billion was approved by the Government as a National Research Fund to enable the RIEC and NRF to implement their initiatives over the five-year period 2006 – 2010.

This is part of the larger R&D budget of \$13.9 billion allocated by the Ministry of Finance.

The aim was to increase Singapore Gross Expenditure on R&D from 2.3% of GDP in 2005 to 3% of GDP by 2010 of which $\frac{1}{3}$ would be incurred by the public sector and $\frac{2}{3}$ by the private sector.

This would help to achieve our objective of gearing up our entire Public Sector with the mindset and capability to pervade the culture of R&D and innovation with the required capacity, and catalyse the private sector to

move Singapore into a more knowledge-based, innovation-driven entrepreneurial economy.

We are on track to achieve these objectives.

NRF's Chief Executive Officer, Dr Francis Yeoh, will give a brief presentation on the initiatives launched by the RIEC and NRF since 2006.

I look forward to a good exchange of views between the Innovation Platform and the RIEC.
