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The Shape of Things to Come – Singapore Unveils National AI Strategy 2.0

Introduction

The meteoric rise of artificial intelligence ("AI") has been one of the loudest headlines of the past year, with the initial hype quickly translating into real-world impact. As governments and businesses race to fully explore and adopt AI solutions, industry stakeholders have begun looking further into the future of AI, including issues such as responsible development, regulatory frameworks, and the building of infrastructure.

The Singapore Government has been at the forefront of the AI movement, issuing its first National AI Strategy in 2019, which outlines plans to deepen the use of AI to transform the economy. With the rapidly changing landscape of AI technology, Singapore has now launched its National AI Strategy 2.0 ("NAIS 2.0") on 4 December 2023.

The NAIS 2.0 introduces three key shifts to propel Singapore as a leader in the field of AI:

- Repositioning AI as a necessity rather than an opportunity or accessory;
- Shifting from a local context to a global outlook; and
- Moving from individual projects to the development of a wide-scale infrastructure and foundation for AI.

The wide-ranging strategy in the NAIS 2.0 sets out 15 actions that Singapore will undertake across the identified Systems and Enablers to support Singapore's AI ambitions over the next three to five years. This includes efforts to intensify AI adoption across industries, ensure a trusted regulatory environment, and the establishment of both human and physical infrastructure (such as AI training programmes and data centres).

This Update highlights the key actions and features of the NAIS 2.0 and what it means for AI development, adoption and regulation in Singapore in the coming years.

NAIS 2.0: Key Features

The NAIS 2.0 is based on the principle of "AI for the Public Good, for Singapore and the World". It takes the position that AI can be a potent force for good, and will transform cognitive and physical tasks. This requires us to steer AI for the public good, and harness AI in a sustainable way to create positive impact.

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The NAIS 2.0 thus aims to achieve the following goals:

- **Excellence** – To selectively develop peaks of excellence in AI, to advance the field and maximise value creation.
- **Empowerment** – To raise up individuals, businesses, and communities to use AI with confidence, discernment, and trust.

To achieve this, the NAIS 2.0 sets out 15 actions that will be undertaken across the three identified Systems and the 10 identified Enablers. These are summarised in the table below.

System	Enabler	Action
Activity Drivers – This section focuses on the drivers of AI activity	Industry – Industries and enterprises need to be responsive, and ready to create AI-driven opportunities	<ul style="list-style-type: none"> • Attract and anchor new AI Centres of Excellence in Singapore-based companies that are leading-edge producers and sophisticated end-users • Explore establishing a new model of Sectoral AI Centres of Excellence to intensify sophisticated AI value creation and usage in selected economic sectors
	Government – The Government is committed to the continuous improvement of public service delivery for its people and businesses	<ul style="list-style-type: none"> • Strengthen the AI start-up ecosystem, including attracting more venture builders and developing more accelerator programmes • Accelerate public sector adoption of AI to unlock new value propositions at the level of: (i) Smart Nation Priorities; and (ii) Whole-of-Government functional domains • Coordinate the resources needed to support public sector AI adoption • Uplift baseline the AI literacy and sharpen the AI proficiency of all public officers
	Research – A strong community of scientists and researchers contributes to a vibrant AI ecosystem	Update the national AI research and development plans: <ul style="list-style-type: none"> • Research Priorities – Be selective in AI research priorities to optimise limited resources for impact • Industry-Academia Nexus – Foster more collaboration between academia and industry • Talent – Strengthen efforts to recruit top AI researchers

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System	Enabler	Action
		<ul style="list-style-type: none"> • Compute – Secure, access, and operate Graphics Processing Units for Singapore's research community • International Collaboration – Expand international research collaboration in areas aligned with research priorities.
Communities – This section focuses on knowledge communities, which are critical for AI innovation	Talent – Singapore will expand the pool and raise the quality of AI Creators and Practitioners	Engage and attract world-class AI Creators <ul style="list-style-type: none"> • Set up a dedicated team to identify, engage, and anchor AI Creators • Create novel value propositions to attract AI Creators
		Boost the pool of AI Practitioners to support growing AI demand <ul style="list-style-type: none"> • Scaling up AI-specific training programmes • Scaling up technology and AI talent pipelines
	Capabilities – It is important to uplift the AI capabilities of Singapore's industries and workforce	Intensify the promotion of AI adoption across all enterprises <ul style="list-style-type: none"> • Make available tools that enterprises can use to evaluate their readiness to adopt AI • Promote baseline digital adoption for enterprises and enhance the enterprise digitalisation toolkit • For more digitally mature enterprises, provide tailored support for AI-enabled business transformation
		To help workers acquire the necessary skillsets to work with AI, Industry Transformation Map Sector Leads will develop targeted interventions for their sectoral workforce
	Placemaking – Singapore intends to provide more platforms which can bring the AI community together	Establish an iconic AI site to co-locate AI creators and practitioners, and nurture the AI community in Singapore
Infrastructure and Environment – This section	Compute – To support high value AI activities, Singapore must ensure reliable,	Actively crowd in a significant amount of compute to Singapore <ul style="list-style-type: none"> • Deepen substantive partnerships with major compute players

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System	Enabler	Action
focuses on creating a robust and conducive infrastructure and a facilitative environment	localised access to high-performance compute	<ul style="list-style-type: none"> Support Singapore-based compute with the required resource envelope Manage a small subset of Singapore-based Graphics Processing Units or their equivalent
	Data – AI activity is built upon confident, reliable access to high-quality, relevant datasets	Build up data management capabilities and develop capabilities in Privacy-Enhancing Technologies
		Selectively unlock more public sector data for AI development that serves the Public Good
	Trusted Environment – Trust and safety underwrite confidence in Singapore's AI landscape	Maintain a regulatory environment for AI that is pro-innovation while ensuring appropriate guardrails <ul style="list-style-type: none"> Update AI governance frameworks to address novel risks. Continue working with partners on research and development Design interventions that are risk-based, tiered, and adapted for specific vertical sectors and horizontal applications Consider updates to broader standards and laws Contribute actively to international discourse on AI governance
		Elevate the security and resilience baseline for all system owners using AI <ul style="list-style-type: none"> Work with partners to update cybersecurity toolkits for enterprises and individual users Coordinate efforts to share best practices and ensure alignment to improve AI security
Leader in Thought and Action – Singapore must stay engaged internationally to work towards a common understanding on AI	Establish Singapore as an ambitious and pragmatic international partner on AI innovation and governance <ul style="list-style-type: none"> Continue to grow Singapore's international networks with key partner countries and leading AI companies Increase international mindshare in practical and risk-based approaches to AI 	

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Concluding Words

The impact of AI on how we live and work cannot be underestimated.

At the launch of the NAIS 2.0, Deputy Prime Minister Lawrence Wong highlighted that in time to come, we will have AI systems with agency and with transactional abilities. This will fundamentally reshape humanity's way of life, with profound implications for societies.

From a legal risk management standpoint, ensuring a hospitable yet trusted environment for AI in Singapore is crucial for mitigating potential liabilities and disputes that may arise from the use of AI systems. AI systems that are not safe or reliable may cause harm or damage to users or third parties. This can result in claims of negligence, breach of contract, or product liability, amongst others. AI systems that are not explainable or fair may produce biased or discriminatory outcomes, leading to complaints of violation of data protection, human rights, or anti-discrimination laws. AI systems that are not compliant with applicable laws and regulations may expose the developers or adopters to regulatory sanctions, fines, or reputational damage.

Future legislation on AI in Singapore may well seek to address these risks as has been done in the EU last week. Therefore, it is advisable for parties involved in AI development or adoption to study the principles set out in the NAIS 2.0 for pointers for cross-border AI collaboration to be hosted in Singapore in building and deploying trustworthy regional or global AI systems. By expanding these principles into specific AI guidelines, policies and processes, organisations can objectively demonstrate their commitment to ethical and responsible AI practices, enhance their credibility and reputation in the market, and reduce their exposure to legal risks.

Rajah & Tann's Data & Digital Economy team is well placed in this regard to assist you on your AI journey. Our experienced practitioners across various practice areas and jurisdictions are well equipped to advise on any issues or queries you may have on AI regulation and implementation. Please feel free to contact our team below for further information.

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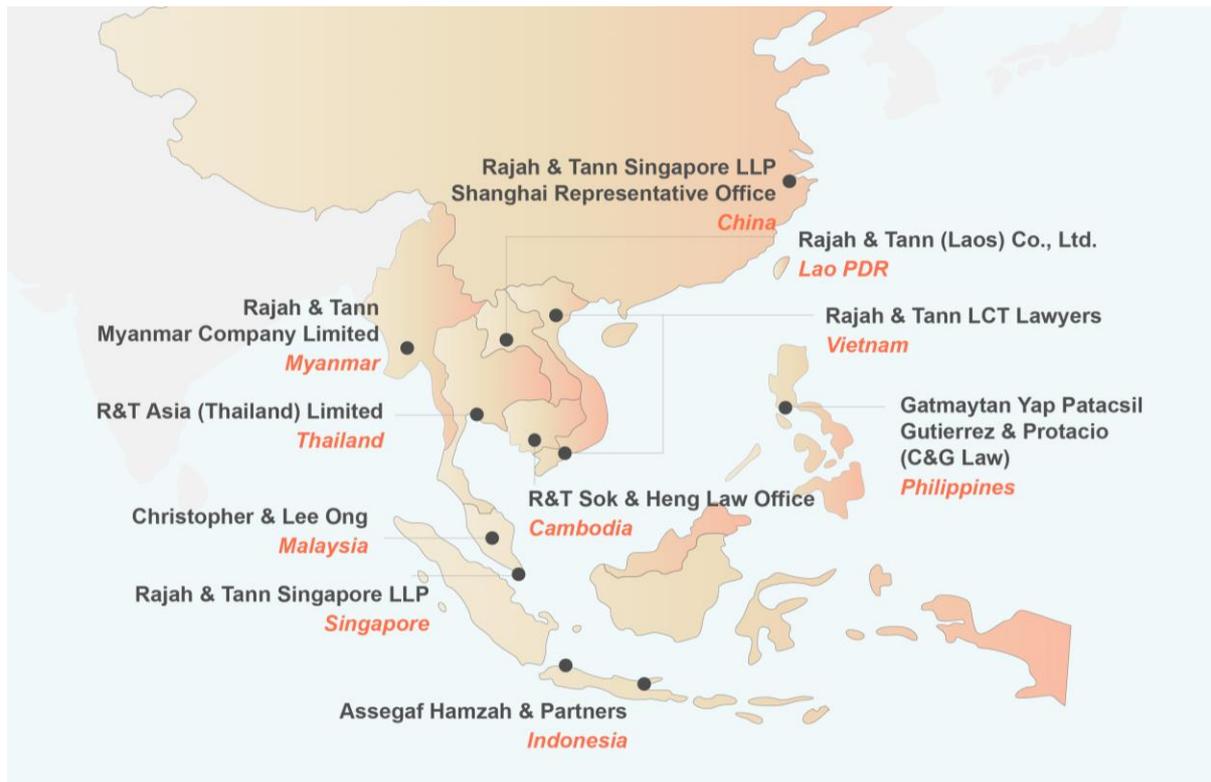
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