Singapore’s Smart Nation Initiative – A Policy and Organisational Perspective

Abstract

In light of an increasingly digitised and knowledge-based economy, Singapore introduced its Smart Nation initiative. As a policy initiative guiding Singapore’s digital transformation, the Smart Nation initiative relies on several policy tools or ‘enablers’ to achieve a range of economic, social, and urban policy goals. This case study will assess these policy tools and goals, situating them within the context of Singapore’s overall approach to economic development. More than simply a policy initiative, the Smart Nation initiative has also involved public administrative reform. In response to inadequate public interest as well as a perceived lack of pace in Singapore’s digital transformation, a centralised public agency, the Smart Nation and Digital Government Group, was formed to coordinate cross-government digitisation efforts. Singapore’s ongoing transformation into a Smart Nation has therefore involved both policy innovation and a reorganization of public administration processes. However, Singapore also continues to face challenges in its digitisation efforts, such as insufficient private sector participation or ground-up initiatives.

Introduction

The rapid urbanisation and increasing urban density that Singapore had experienced over the past few decades gave rise to increasingly complex and intertwined policy issues, such as overcrowding, strains to public infrastructure, and high costs of housing, among others. These emerging urban policy issues also resulted more recently in public discontent, as was evident in the decline in vote-share for the ruling People’s Action Party in the 2011 General Elections.¹ Yet at the same time, Singapore’s ongoing shift to a knowledge-based economy stimulated much interest in the economic possibilities associated with digitisation and big data.²

It was at the intersection of these two issues – growing urban complexity and economic digitisation – that Singapore’s transformation into a smart city was first mooted and eventually implemented in the form of the Smart Nation initiative. More than simply the mobilization and application of advanced digital and information communications technology (ICT) to complex urban problems, the Smart Nation initiative also represented a means through which Singapore could explore potential new areas of growth associated with the new digital

economy. Furthermore, the Smart Nation initiative also gave rise to shifts in Singapore’s approach to public administration.

This case study will discuss the policy and public administration implications of the Smart Nation initiative. A brief overview of the Smart Nation initiative is provided below.

**Background: The Smart Nation initiative**

Launched in 2014, the Smart Nation initiative aims to “support better living, stronger communities, and create more opportunities, for all”. This can be further delineated into two parts: improving people’s lives, and creating new economic opportunities. These two inter-related goals were emphasized in a speech given by Prime Minister Lee Hsien Loong at the launch of the Smart Nation initiative, where he emphasized the goals of improving citizens’ lives and allowing them to connect with each other through the use of sensors and smart devices, as well as enhancing economic productivity and exploring new opportunities through such technology.

The Smart Nation initiative built on the Singapore government’s earlier efforts to digitise public service delivery through its ‘e-government’ drive. This began with a ‘Civil Service Computerisation Programme’ that was introduced in the late 1980s, followed by a slew of initiatives in the late 1990s through 2000s, such as the ‘IT 2000’ strategic plan, e-Government Action Plans, iGov 2010 initiative, and 2015 eGov Masterplan. However while these earlier e-government initiatives tended to focus on increasing efficiency in public service delivery, the Smart Nation initiative was much more comprehensive, reflecting a broader ‘digital transformation’ that aimed to digitise all aspects of urban life in Singapore, often through collaborations with non-state actors such as businesses, citizens, and NGOs. Figure 1 provides a broad timeline of Singapore’s e-government initiatives.

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4 Hsien Loong Lee, “Smart Nation: Better Living, More Opportunities, Stronger Communities” (Prime Minister Lee Hsien Loong’s speech at Smart Nation launch, Singapore, November 24, 2014).
In many instances, these various plans tended to build upon each other, with the introduction of SingPass and Wireless@SG in the early 2000s facilitating the Smart Nation initiative’s broader efforts at public service delivery through online platforms. Similarly, iGov 2010 sought to enhance the integration of data, process and systems for Government agencies while eGov 2015 introduced a stronger focus on collaboration within and outside Government.\(^8\) There was therefore a sense of continuity across the government’s various eGov masterplans, with early computerisation efforts focusing on enhancing public service efficiency and subsequent masterplans seeking to position the government for the digital economy by emphasizing whole-of-government approaches as well as citizen and business collaboration.\(^9\) All these elements could be found in the Smart Nation initiative, which acted as a successor to all these prior masterplans.

At a more granular level, the Smart Nation initiative focused on five key domains:\(^{10}\)

- Transport
- Home and environment
- Business productivity
- Health and enabled ageing
- Public sector service

The initiative also relied on a set of ‘enablers’ to achieve digitization within these five domains:\(^{11}\)

- Facilitating smart solutions through test-bedding and research collaborations.
- Nurturing a culture of experimentation and sustaining innovation.
  - Data sharing through the open data portal and Smart Nation Platform
  - Investments in Research and Development (R&D)
  - ‘Living laboratories’ for the development and piloting of technological solutions.
  - Growing an industry and start-up ecosystem
  - Cyber-security and data privacy
- Building computational capabilities

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\(^9\) GovTech Singapore.


\(^{11}\) Smart Nation Programme Office.
Educational programmes at various levels, including young children, secondary school students, and working professionals.

Upgrading programmes such as SkillsFuture.

A Smart Nation Fellowship Programme that invites experienced data scientists and engineers to work with the government to develop technological solutions.

In order to implement these initiatives, a Smart Nation Programme Office (SNPO) was established. Situated within the Prime Minister’s Office, the Office was led by Minister-in-Charge Dr Vivian Balakrishnan. However, there had since been an administrative re-organisation of the government’s Smart Nation capabilities and units. The administrative reorganisation would be discussed in a later section.

Policy Options

This section will discuss the various policy options that have emerged as part of the Smart Nation initiative. This included the policy tools and objectives encapsulated within the initiative, as well as the administrative reforms that were enacted to implement these tools and achieve their related objectives.

Policy Tools and Objectives

The Smart Nation initiative focused on the two goals of ‘improving people’s lives’ and ‘creating new economic opportunities’. These two goals can further be delineated into three policy objectives: driving economic development, addressing urban or municipal issues, and community building. Aside from creating economic opportunities and addressing urban issues, the initiative also emphasized the co-creation of solutions with citizens and fostering stronger communities through new digital platforms of communication and interaction.12

The various ‘enablers’ could then be seen as the policy measures or tools that were implemented in pursuit of these goals. Table 1 provides a summary of these policy tools and objectives that were associated with the Smart Nation initiative, along with selected examples of some tools. While this list is by no means exhaustive, it provides a broad overview of the Smart Nation initiative’s policy tools and objectives.

Table 1: Policy tools and objectives for Smart Nation initiative

<table>
<thead>
<tr>
<th>Policy Tools</th>
<th>Policy Objectives</th>
<th>Lead Agency</th>
</tr>
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<tbody>
<tr>
<td>Test-bedding and Trials</td>
<td>Economic Development; Municipal</td>
<td>Urban Redevelopment Authority (URA), Agency for Science Technology and Research (A*STAR)</td>
</tr>
<tr>
<td>e.g. Jurong Lake District, A*STAR self-driving vehicle road tests</td>
<td></td>
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<tr>
<td>Open Data and Smart Nation Platforms</td>
<td>Economic Development; Community Building; Municipal</td>
<td>SNPO</td>
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<tr>
<td>Investments in R&amp;D</td>
<td>Economic Development</td>
<td>NRF</td>
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12 Smart Nation Programme Office, “About Smart Nation”; Smart Nation Programme Office, “About Smart Nation | Enablers.”
As Table 1 shows, the Smart Nation initiative placed a strong premium on goals of economic development. As Prime Minister Lee Hsien Loong noted in a speech, the advanced data and IT technologies that might emerge from the Smart Nation initiative could contribute to greater economic productivity and generate new business opportunities. This was in line with Singapore’s existing ‘developmental state’ approach to industrial policy and economic governance, which emphasized sectoral targeting and identifying future areas of growth.

Furthermore, many of these tools involved diverting state resources towards building up Smart Nation capabilities. These included investments in R&D through agencies such as the National Research Foundation or co-funding start-up accelerators through SPRING Singapore’s investment arm, SPRING Seeds Singapore. In other instances, policy tools have involved joint efforts, such as the SMRT-NTU Urban Rail Corporate Laboratory or the Monetary Authority of Singapore’s FinTech Regulatory Sandbox. For the Smart Nation initiative, joint laboratories between state agencies and universities or corporate entities have become an important means through which policymakers can foster technological innovations. Lastly, efforts to establish Smart Nation capabilities in the citizenry such as ICT skills-training through SkillsFuture courses encourage the formation of more IT professionals and data specialists.

Aside from economic development however, the initiative also focused on resolving urban-municipal issues as well as community development. Indeed, of the five key domains, three were focused on urban issues (transport, home and environment, health and enabled ageing). Policy innovations and initiatives that focused

<table>
<thead>
<tr>
<th>E.g. National Research Foundation (NRF) investments in Artificial Intelligence, under AI.SG.</th>
<th>Economic Development</th>
<th>Universities and Research Institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laboratories e.g. SMRT-NTU Smart Urban Rail Corporate Laboratory</td>
<td>Economic Development</td>
<td>SPRING Singapore</td>
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<tr>
<td>Start-up accelerators e.g. Co-funding start-up accelerators through SPRING Seeds Capital</td>
<td>Economic Development; Municipal</td>
<td>Cyber Security Agency of Singapore (CSA)</td>
</tr>
<tr>
<td>Increased cyber-security e.g. Cyber Security Agency of Singapore</td>
<td>Economic Development</td>
<td>Monetary Authority of Singapore (MAS)</td>
</tr>
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<td>Regulatory reforms e.g. FinTech Regulatory Sandbox</td>
<td>Economic Development</td>
<td>SkillsFuture Singapore</td>
</tr>
<tr>
<td>Talent and capacity-building e.g. ICT skills-training through SkillsFuture scheme</td>
<td>Economic Development</td>
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on these three key domains had been piloted and test-bedded in districts such as Punggol Northshore district, Yuhua, as well as Jurong Lake District.\(^{15}\) In all instances, smart technologies were introduced into homes and neighbourhoods, with the aim of enhancing citizens’ everyday lives, as well as addressing municipal issues such as neighbourhood cleanliness, security, and transport, among others.

At the national level, urban-centric initiatives included an OneService app that allowed citizens to report municipal issues, as well as various pilot projects exploring new modes of public transit.\(^{16}\) The OneService app represented a need to consolidate the capabilities and resources of different municipal organisations. Prior to the introduction of the app, municipal issues were addressed by various public agencies, such as National Parks, the Land Transport Authority, Housing Development Board, etc. As we will discuss below, the emergence of such centralised policy feedback mechanisms suggests a need to address the risks of policy fragmentation, especially in the realm of public service digitisation.

Regarding community development, Prime Minister Lee noted that the Smart Nation initiative could foster the development of stronger and more closely-knit communities, “where technology will enable more people to connect to one another more easily and intensely”.\(^{17}\) The Smart Nation initiative’s fifth key domain of public sector service was also related to such goals of community development, particularly in terms of fostering greater social capital and state-societal relations.

As Table 1 also shows, different policy tools facilitated the achievement of different policy objectives. For instance, investments in R&D encouraged technological and business innovations, hence contributing to economic development. In some cases, a single policy tool could be formulated to attain multiple objectives. For instance, the Open Data and Smart Nation platforms encouraged greater interaction and co-creation among public, private, and societal actors. In this case, the platforms contributed towards economic development (by encouraging business collaborations), urban-municipal issues (by facilitating the co-creation of urban solutions), and community development (by fostering greater interactions among various stakeholders and participants).

In short, the Smart Nation initiative comprised a set of policy tools and objectives that contributed to Singapore’s economic and social development. Aside from this tri-factor policy focus on economic development, urban-municipal issues, and community development however, the Smart Nation initiative also involved significant administrative re-organisation. These public administration reforms are discussed next.


\(^{17}\) Lee, “Smart Nation: Better Living, More Opportunities, Stronger Communities.”
Public Administration Reform

Despite the successful implementation of the initiative and its suite of policy tools and objectives, Prime Minister Lee noted that Smart Nation initiative was not progressing as rapidly as the government had expected, with insufficient private sector participation identified as a major shortcoming. Furthermore, and as Table 1 above shows, the implementation of the various Smart Nation policy initiatives often involved multiple public agencies, with different agencies taking on a leading role in different initiatives. This often led to administrative overlaps. In order to prevent further fragmentation of Singapore’s digitisation efforts, the Singapore government sought to re-organise and consolidate the various public agencies and units that were involved in formulating and implementing the Smart Nation initiative. What had emerged was a centralised agency, the Smart Nation and Digital Government Group (SNDGG), established in May 2017.

Established under the Prime Minister’s Office, the SNDGG was an umbrella institution that housed the various units and agencies involved in the Smart Nation initiative. These included the newly formed Smart Nation and Digital Government Office (SNDGO) and Government Technology Agency of Singapore (GovTech). While SNDGO was essentially tasked with formulating the various Smart Nation policy initiatives, GovTech implemented these initiatives. The SNDGO consolidated staff from the Smart Nation Programme Office, the Ministry of Finance’s Digital Government Directorate, and the Ministry of Communications and Information’s Government Technology Policy department.

A pictorial representation of the SNDGG and its component institutions is provided in Figure 2 below.

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More importantly, the formation of the SNDGG represented efforts at centralising and consolidating the government’s Smart Nation units and capabilities. This mirrored other recent administrative re-organisations, such as the establishment of the Municipal Services Office (MSO) or the Cyber Security Agency of Singapore (CSA). Both MSO and CSA were national-level centralised agencies tasked with coordinating the activities of the various other public agencies in their respective policy domains, as well as harmonising policy formulation and implementation processes across these agencies. In coordinating the activities of these other agencies however, there was also a strong element of inter-agency cooperation.

Even as the SNDGG operated as the central governing body for Singapore’s Smart Nation initiative, it did so in cooperation with other public agencies and government bodies. A good example of this could be found in the Monetary Authority of Singapore’s efforts to transform Singapore into a ‘smart financial centre’, through policy tools such as the FinTech regulatory sandbox, which were often designed and implemented in conjunction with the SNDGG and other relevant agencies. The Smart Nation initiative, in short, involved extensive policy collaboration between Singapore’s various public agencies and policy units. Under the direction of the SNDGG and through digital means of collaboration such as the Open Data and Smart Nation

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22 Prime Minister’s Office Singapore.
platforms, the Smart Nation initiative fostered, and in turn relied on, the close ‘policy relations’ that had formed among Singapore’s public policy institutions.

Ongoing Challenges

Despite these efforts to reorganise and streamline the government’s digitisation efforts, analysts have identified limitations and shortcomings in the Smart Nation initiative. For instance, it had been noted that the initiative was unable to capture public imagination and lacked a clear success story. Ironically, the government’s efforts at centralising its digitisation drive may have further entrenched the state’s role in driving the digital sector, in the process crowding out private sector opportunities.

Indeed, it had often been noted that the success of Singapore’s Smart Nation initiative continues to hinge on the government’s ability to encourage user-driven innovations, especially through progressive and flexible regulations. The formation of the SNDGG therefore had given rise to fundamental trade-offs between centralised government direction and the need for user-driven innovation. While administrative centralisation had given rise to policy efficiency, it also posed new challenges for private sector participation in the Smart Nation initiative.

Conclusion

This case study has provided an overview of Singapore’s Smart Nation initiative, focusing on both policy and public administration aspects of the initiative. Like many other smart cities, the Smart Nation initiative was established to, on the one hand, address the growing complexity that had accompanied rapid urbanisation and, on the other, explore the economic opportunities that might arise from Singapore’s increasingly digitised and knowledge-based economy. However, this case study also identified an additional policy objective in the initiative, that of community building.

In order to address these three policy objectives – economic development, addressing urban issues, and community building – the Smart Nation initiative also encapsulated a set of ‘enablers’. The discussion above has taken a policy-oriented approach to understanding the Smart Nation initiative, by framing these ‘enablers’ as policy tools and identifying the three major policy objectives. More importantly, the case study sought to address the linkages between tools and objectives. This framework of policy tools and objectives draws from the ‘policy design’ approach, which has conceptualised the policy process as a matter of finding the right policy

26 Tan, “The Big Read.”
‘tools’ in order to attain a desired set of policy objectives. This ‘tool-based’ design approach can therefore provide policymakers with a systematic way of differentiating between policy means and ends. Aside from policy design, the Smart Nation initiative also gave rise to a spate of administrative reorganisations. As the case study discussed above, these included the formation of the SNDGG as the centralised public agency overseeing the initiative. Comprising institutions and personnel from a variety of public agencies and units that were previously involved, to varying extents, in Singapore’s digital transformation, the SNDGG represented a growing trend towards administrative centralisation and centralised coordination of policy activities, especially in light of growing urban complexity. However, the Smart Nation initiative also continues to face challenges. The resolution of these challenges remain works in progress.

**Proposed Discussion Questions**

1. How did the Smart Nation initiative differ from earlier efforts to digitise government operations and processes?
2. What were the opportunities, issues and difficulties of formulating a coherent Smart Nation initiative for Singapore? What prompted the creation of the Smart Nation and Digital Government Group?
3. Are there trade-offs to centralising and consolidating Singapore’s Smart Nation capabilities for policy-making and implementation under Smart Nation and Digital Government Group and GovTech? Do such efforts contradict ongoing trends of decentralisation and privatisation?
4. How would the implementation and regulation of Singapore’s Smart Nation initiatives be affected by the reorganisation?

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References


———. "Smart Nation: Better Living, More Opportunities, Stronger Communities." presented at the Prime Minister Lee Hsien Loong’s speech at Smart Nation launch, Singapore, November 24, 2014.


