

*RSIS Commentary is a platform to provide timely and, where appropriate, policy-relevant commentary and analysis of topical and contemporary issues. The authors' views are their own and do not represent the official position of the S. Rajaratnam School of International Studies, NTU. These commentaries may be reproduced with prior permission from RSIS and due recognition to the author(s) and RSIS. Please email to Mr Yang Razali Kassim, Editor RSIS Commentary at RSISPublications@ntu.edu.sg.*

---

## **India-Singapore Innovation Hub: New Impetus for Economic Cooperation**

*By Rahul Choudhury*

### **Synopsis**

*A new innovation hub launched in Singapore during Prime Minister Narendra Modi's recent visit will facilitate collaboration between Indian and Singapore enterprises by being a bridge in their start-up landscape.*

### **Commentary**

A NEW India Innovation Hub was launched during Prime Minister Narendra Modi's recent visit to Singapore with the signing of a Memorandum of Understanding (MoU) between Enterprise Singapore, a government agency engaged in developing private entrepreneurship, and the Singapore chapter of the Indus Entrepreneurs (TiE), a Silicon Valley-based association of entrepreneurs.

The 50,000-square feet hub will offer free rental space to selected Indian start-ups interested in venturing in Singapore, through equity swap arrangement. This innovation centre will facilitate collaboration between Indian and Singapore enterprises, of which there are 5,000 Indian companies. They include major start-ups like e-commerce platforms and online grocery delivery platforms as well as mobile advertising networks.

### **Taking Start-up Ecosystem to Next Level**

The innovation centre will be equipped with high speed internet network, where fibre optics will act as a bridge between Indian and Singaporean start-ups. An advanced data centre will also be set up. It will be developed as a world class innovation centre having co-working facility. The institution will also provide free monitoring support from corporate leaders from across the region. In addition to the facilities offered by the

innovation hub, all these start-ups will be exposed to a vibrant corporate culture in Singapore.

The Innovation Hub will give the much-needed impetus to the growing start-up ecosystem of India which is the third largest in the world with 4,700 start-ups in 2016 and is expected to be the largest by 2020 with more than 10,000 start-ups.

Singapore, a politically stable zone with a competitive economic environment, attractive corporate tax structure, vibrant intellectual property law, and a conducive regulatory regime, has much to offer to growth-hungry Indian innovative start-ups. It is a home to numerous private equity and venture capitalists with deep pockets to take care of the funding requirements of Indian start-ups.

### **Singapore's Attraction**

Singapore was ranked the sixth most innovative country in the world in a 2016 joint study by Cornell University, INSEAD and the World Intellectual Property Organisation. A large pool of talented citizens and a huge government expenditure of US\$5 billion on research and development on business which is 1.4% of GDP in 2015 makes Singapore a natural hub for innovation.

Singapore's attraction also lies in its prime location at the crossroads of vast East Asian markets like South Korea, Australia and others. Being the focal point of ASEAN countries, it also opens doors to those markets.

Singapore's promising regional connectivity in both physical and digital arena is well recognised. Singapore's drive to become a Smart Nation is well supported by its highest rank in the world in 4G data speed. This lays down an automatic infrastructure for modern tech start-ups.

For all these reasons, it is no surprise that Singapore hosts some of the world's biggest political and commercial events. Singapore has been the first choice of the organisers of multiples of prestigious business events like International Robotics Expo, start-up business events – like Tech in Asia, Innovfest Unbound among others. All these events play a crucial role for start-up entrepreneurs by providing a sea of exposure to interact and network with fellow entrepreneurs from different parts of the world.

Knowledge support from Advanced Remanufacturing and Technology Centre, NUS Enterprise of the National University of Singapore and Innovation Centre, Nanyang Technological University will be of enormous benefit for any start-up.

### **Challenges Ahead**

Although India and Singapore have marked a new chapter in their bilateral relationship in the area of technology and innovation to support the vibrant start-up ecosystem, they have still a long way to go. To take advantage of this innovation centre, a start-up has to establish in Singapore and for this, they will also need support from various departments of the Indian government.

Indian policymakers need to devise a more start-up friendly policy and pursue the

cases proactively. Support from different departments of the Singapore government will also be expected in the issuing of visas to Indian entrepreneurs. Offering credit facilities, favourable policies for hiring talents etc. will take this bilateral partnership to new heights.

Challenges may also arise in the cooperation between the implementing agencies – challenges which may arise from the perspective of cyber security as well as fraud and forgery.

Data security is another area of concern. There may be the sharing of cross border data which is crucial and sensitive in nature. The issue of privacy and security obligations and data protection in privacy legislation needs to be addressed urgently. The synchronisation of the various policies in both countries in dealing with these challenges needs to be addressed adequately.

Overcoming these challenges will offer a better future and open up new avenues. This will further strengthen the relationship between India and Singapore and will facilitate cooperation among millions of their citizens.

---

*Rahul Choudhury is a Visiting Research Fellow at the Institute of South Asian Studies (ISAS), National University of Singapore. He contributes this to RSIS Commentary based on his personal views.*

---

**Nanyang Technological University**

Block S4, Level B3, 50 Nanyang Avenue, Singapore 639798  
Tel: +65 6790 6982 | Fax: +65 6794 0617 | [www.rsis.edu.sg](http://www.rsis.edu.sg)