

${\it 1.}$ The Situation in Ukraine & Its Implications for Singapore

However, unless we as a country stand up for principles that are the very foundation for the independence and sovereignty of smaller nations, our own right to exist and prosper as a nation may similarly be called into question one day."

- Minister for Foreign Affairs Dr Vivian Balakrishnan at Parliament on 28 Feb

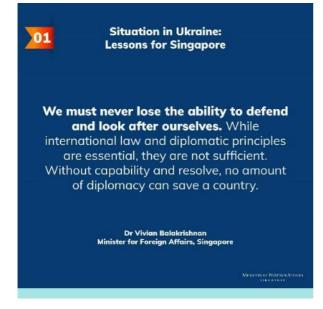
On 24 Feb, Russian President Vladimir Putin authorised a "special military operation" against Ukraine. Singapore has strongly condemned Russia's unprovoked attack on Ukraine, a military invasion of a sovereign state.

On 28 Feb, Minister Balakrishnan explained in a Ministerial Statement to Parliament why the situation in Ukraine is important to Singapore:

- The sovereignty, political independence, and territorial integrity of all countries, big and small, must be respected.
- The events go against the fundamental norms of international law and the UN Charter that prohibit the use of force and acts of aggression against another sovereign state.
- This is an existential issue for Singapore we cannot accept one country attacking another without justification, arguing that its independence was the result of "historical errors and crazy decisions". Such a rationale goes against the legitimacy and territorial integrity of many countries, including Singapore.

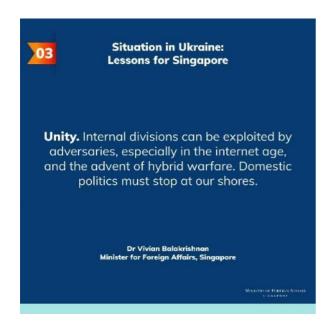


He also highlighted four lessons Singapore can draw from this crisis:





1





Singapore's Response to the Situation

Minister Balakrishnan also made these points:

- While Singapore continues to value our good relations with Russia and the Russian people, we cannot accept such violations of sovereignty and territorial integrity of another sovereign state.
- We will continue to work with our ASEAN and international partners to take a strong stance against the invasion of Ukraine, end further violence and bloodshed, and to de-escalate tensions.
- Singapore will also act in concert with many other like-minded countries to impose appropriate sanctions and restrictions against Russia.
- The Singapore government contributed US\$100,000 to assist affected communities in Ukraine via the Singapore Red Cross.

Potential Impact on Energy in Singapore

- Russia provides about 40% of European Union's natural gas (and more than 30% for Europe). Europe's gas markets are also linked by a network of pipelines, some of which pass through Ukraine. There is not enough liquefied natural gas (LNG) globally to substitute for a large disruption in supply from Russia.
- Singapore depends on imported natural gas for around 95% of its electricity production.
 - o According to Minister for Trade and Industry Mr Gan Kim Yong on 28 Feb, with sanctions being imposed on Russia and disruption to supplies, global prices of energy and other products are set to rise.
 - o Singapore's energy costs will increase in tandem with escalating global energy costs pump prices for petrol and diesel, as well as the cost of electricity for households and businesses, will go up.
- Singapore has put in place measures to enhance our energy security. The government has established a standby fuel facility to ensure that our generation companies have enough fuel reserves, and will introduce further measures to support households and businesses, where necessary.
- Singaporeans can also play a part by using energy prudently, and adopting energy conservation as a way of life.

[Sources: WSJ, 27 Jan; CNBC, 8 Feb; CNA, 9 Feb; ST, 14 Feb; Reuters, 15 Feb; ST, 25 Feb; MFA & TODAY, 28 Feb; CNA & ST, 1 Mar & 4 Mar]

2

2. MINDEF'S COMMITTEE OF SUPPLY (COS) DEBATE 2022

On 2 Mar, Minister for Defence Ng Eng Hen delivered his speech at the Committee of Supply (COS) Debate 2022. Here are the key points:

- SAF's Next Gen Transformation Journey. By 2040, the Next Gen SAF will be more networked and capable of conducting operations in the air, land, sea and digital domains to better defend Singapore's peace and security. It will be equipped with new and upgraded assets and capabilities across the three Services.
- Celebrating 55 years of National Service. This year marks the 55th anniversary of NS. National servicemen (NSmen) form the backbone of the SAF. The quality and commitment of our NSmen will determine whether the SAF can succeed. The NS Review Committee has proposed three key changes to improve the NS system. These are: maximising the contributions of our servicemen, improving the NS experience and strengthening the recognition of NSmen.
- Strengthening bilateral and multilateral partnerships. As a small country, Singapore needs as many friends as we can. Having a strong network of defence partners has allowed us to build up our defence capabilities, train overseas and cooperate on strategic issues critical to Singapore's security.
- Commitment to environmental sustainability. MINDEF/SAF aims to reduce the growth of overall emissions by twothirds by 2030. Amongst ongoing work, the SAF Sustainability Office has convened an external panel of experts to provide insights on our implementation plans.
- Supporting the fight against COVID-19. During infection peaks, MINDEF/SAF personnel assisted Ministry of Health (MOH) to provide operations planning capabilities and staff contact tracing, call centres or to man emergency departments. The SAF also stood up the Home Recovery Task Group to better manage the home recovery programme for COVID-19 patients. NSmen also helped as Home Vaccination Teams and Mobile Vaccination Teams. In 2021, the SAF's Changi Regional Humanitarian Assistance and Disaster Relief Coordination Centre (RHCC) coordinated the transfer of medical equipment and supplies to regional countries worst hit by COVID-19, including the shipment of over 500 tonnes of oxygen at Indonesia's request as part of 'Oxygen Shuttle' programme.

SAF's Fourth Service: The Digital and Intelligence Service (DIS)



- In his speech, DM touched on how global events have shown us what could happen to small vulnerable states. For example, Kuwait, an oil rich state, was invaded by Iraq in 1990. Qatar suffered an air, land and sea blockade imposed by its neighbours in 2017.
- There are also examples of countries or non-state entities using a combination of attacks through both the digital and physical domains. Ukraine has experienced cyber espionage, damage to databases and servers, disruption to power and communications infrastructure, and disinformation with real-life impact on Ukrainians even before Russia's invasion.
- These recent events demonstrated that physical and virtual security are "intricately interwoven" as threats in the digital domain can readily impact events in the physical world. While there has been no evidence of orchestrated attempts to subvert or subjugate Singapore using hybrid means, this does not mean that the threat will never come. We need to prepare for it with a longer runway.
- To meet emerging and growing threats in the digital domain, the SAF will set up a fourth service the Digital and Intelligence Service (DIS) by the last quarter of 2022. It will provide accurate, relevant and timely warning and enhanced intelligence, as well as advanced connectivity for the SAF.
- The addition of DIS will allow the SAF to better train and fight as a networked, integrated and expanded force to deal with (not only) the spectrum of threats that we know exist today, but also the digital domain that we know will increase in the future.

[Sources: ST & CNA, 2 Mar; MINDEF, 2 Mar; MCI, 2 Mar]

3. TOTAL DEFENCE AS A WHOLE-OF-SOCIETY RESPONSE

This year marks the 80th Anniversary of the Fall of Singapore to the Japanese in 1942 during World War II. On 15 Feb, Total Defence (TD) Day, both Minister for Defence Ng Eng Hen and Minister for Culture, Community and Youth and Second Minister for Law Edwin Tong spoke about the importance of Total Defence as a whole-of-society response.



In his Total Defence (TD) Day Message, Min Ng said that Singapore has been putting up TD against the COVID-19 pandemic, an enemy that has threatened death and destruction to our way of life. He made these points:

- Singaporeans display a strong Psychological and Social Defence in complying with safety measures, and providing moral support to and looking out for one another.
- Civil Defence was at work, with each of us being responsible to reduce infections by wearing masks and reducing contact with others. SAF and SPF help with contact tracing, and SCDF assists to transport COVID-19 patients during infection peaks.
- Singaporeans demonstrate Digital Defence by speaking up against fake news and misleading information about vaccinations.
- When global supply chains are under pressure during the pandemic, Economic Defence came to the forth as agencies rallied to keep supply lines open, especially for essential products.



The TD Day Commemoration Event (TDDCE) was held on 15 Feb at The Float @ Marina Bay. 60 recruits from Basic Military Training Centre received their Singapore Assault Rifle — 21st Century (SAR 21) in a Weapon Presentation Ceremony. At the event, Min Tong made these points:

- Security threats will continue to evolve and Singaporeans must continue to have the fighting spirit to press on even in hard times.
- TD is more than defending our country against external aggressors. It is about our people coming together, with a shared spirit, to contribute to the common good, persevering through our challenges, trials and threats, and recognising that military might and superior firepower is not our only threat.
- Through all of this, the spirit of solidarity and strength behind TD has been, and will continue to be, the key to our fight against adversities and our continued thriving as a nation.

When every Singaporean plays a part, our collective efforts form the strongest defence that cannot be easily broken."

- Minister Ng in his TD Day message on 14 Feb

At the COS Debate on 3 Mar, Senior Minister of State for Defence Zaqy Mohamad further emphasised the importance of TD. Here are the key points:

- The TD framework reinforces the belief that a strong foundation for our defence goes beyond the military domain, and requires a whole-of-society response.
- The Russia-Ukraine conflict is a lesson for Singaporeans that a country's stability can be threatened on multiple fronts, including cyberattacks, information campaigns and border threats, ahead of military aggression.
- We must therefore always be ready and we can depend on ourselves for our defence. TD has to be every Singaporean's responsibility.

[Sources: ST & CNA, 14, 15 & 16 Feb; MINDEF, 14, 15 & 16 Feb; ST & CNA, 2 and 3 Mar, MINDEF, 2 & 3 Mar]

4. SINGAPORE'S BUDGET 2022

On 18 Feb and 2 Mar, Minister for Finance Lawrence Wong delivered Singapore's FY2022 Budget Statement and the Budget Debate round-up speech respectively in Parliament. He made these key points:

The global environment has become more volatile

- We face pressures from the Russia-Ukraine conflict, the evergreen US-China strategic rivalry and climate change. The on-going global COVID-19 pandemic has hastened digital disruption. Now markets prefer higher-skilled workers and those equipped with new technologies.
- This will make it harder for Singapore to keep our growth inclusive and hold our society tightly together.

Our society is rapidly ageing

- This leads to a higher demand for healthcare and social care.
- We need to reinforce our resilience and retool our capabilities for the future.
- Singapore needs to invest more in its people and social infrastructure, and strengthen the system of collective risk sharing, so that no one is left behind.

The Budget reflects Singapore's ethos and values

- Singapore has to do more to preserve and strengthen our unity and social compact as the society ages and faces new challenges.
- The Budget is a first step in "realising our vision of a fairer, more sustainable, and more inclusive society."
- It is an expression of our shared compact, to tackle our challenges together, to never stop thinking of tomorrow and to never cease building a better Singapore.

We want every Singaporean to know and feel that he or she has a stake in our society – that everyone's contributions matter, and that they will not be left to defend for themselves when times are down. We want to uphold that sense of obligation to each other, and strengthen the assurance that, whatever the challenges we face, we will always have each other's back."

 Minister Wong in his Budget Speech on 18 Feb



PM Lee also shared his perspective on the Budget in a Facebook post, making the following points:

- Singapore's future is a collective responsibility.
- Our forefathers' prudence and restraint has built up the reserves that have seen us through the pandemic. Similarly, we need to save up for our present and future generations.
- We cannot keep drawing on our reserves. We can adopt a fair and inclusive approach where everyone contributes to Singapore's future, according to their means.



The debate on Budget Statement 2022 concluded today.

In his round-up speech, Lawrence Wong stressed that government spending must be responsible and disciplined. We cannot rely on drawing more and more from our reserves. We need to husband these reserves to provide for both ourselves and future generations.

Our forefathers' prudence and restraint built up the reserves that have seen us through COVID-19. We must do the same for future generations, who will surely encounter many more crises of their own.

It is easy to push the responsibility to the higher-income earners. But a tax system where the burden is borne by just a small group, and the rest piggyback on their contributions, cannot be sustained.

Our system is based on collective responsibility. Everyone contributes something, according to their means. Similarly, everyone benefits from the state's spending, with the more vulnerable benefitting more. This is a fair and inclusive approach.

The GST is part of this tax system. Raising GST is difficult and unpopular. But it is necessary to put our public finances on a sounder basis, and provide for our growing health care needs.

The enhanced Assurance Package will cushion the impact of the GST increase for all Singaporeans, and the permanent GST Voucher Scheme will provide continuing support for lower to middle-income groups, even beyond the transition.

I hope Singaporeans will understand why we are doing this, and support the government to build sustainable social safety nets for Singaporeans. – I HI

[Sources: ST, CNA & TODAY, 18 & 19 Feb; FB/Min Wong, 18 Mar; FB/PM Lee, 2 Mar; MOF, 18 Feb & 2 Mar]

[Any feedback on this issue? Let us know through https://go.gov.sg/feedbacknif, or email us at nexus@defence.gov.sg.]



Official (Open) 5