SPEECH BY MR S ISWARAN, MINISTER FOR TRADE AND INDUSTRY (INDUSTRY) AT THE OPENING CEREMONY OF ABBVIE SINGAPORE'S MANUFACTURING CAMPUS ON 29 SEPTEMBER 2016 (THURSDAY), 10AM, AT 23 TUAS SOUTH AVENUE 6

Dr Azita Saleki-Gerhardt, Senior Vice President, Operations, AbbVie

Distinguished Guests,

Ladies and Gentlemen,

Good Morning.

Introduction

1. I am pleased to join you at the official opening of AbbVie's manufacturing campus, comprising its small molecule Active Pharmaceutical Ingredient (API) facility and biologics drug substance manufacturing plant. This manufacturing campus is AbbVie's first in-house manufacturing investment in Singapore, and I congratulate the AbbVie team on this significant milestone.

Singapore is well-positioned and has done well to capture growth opportunities in biopharmaceutical manufacturing

2. Manufacturing is a key pillar of our economy, contributing about 20 per cent of our Gross Domestic Product (GDP) in 2015. The Biomedical manufacturing cluster is the second largest contributor to Singapore's

manufacturing sector, accounting for close to 20% of the sector's value added. It is also a fast growing sector. For instance, our biomedical manufacturing output has more than quadrupled from S$6.3 billion in 2000 to approximately S$27 billion in 2014.

3. Specifically, in the area of biopharmaceutical manufacturing, we have established a strong foundation with 29 biopharmaceutical manufacturing facilities in Singapore. 7 of the top 10 global biopharmaceutical companies have their manufacturing facilities here, many of which are key nodes within their manufacturing networks. In addition, 6 out of the top 10 drugs globally are made in Singapore.

4. AbbVie's US$320 million manufacturing campus will further contribute to the strength and growth of our biopharmaceutical manufacturing base.

Moving forward, Singapore remains committed to developing our biopharmaceutical manufacturing sector by catalysing innovation in manufacturing technologies, developing infrastructural solutions and building talent

5. The Committee on the Future Economy (CFE) has identified healthcare as one of the growth sectors that presents opportunities for Singapore and positions us well for the future. To support the continued growth of our biopharmaceutical manufacturing sector, the Government has adopted a multi-pronged strategy. It focuses on catalysing innovation in manufacturing technologies, developing infrastructural solutions, and building a strong talent pool.

Catalysing innovation in manufacturing technologies

6. Singapore will continue to invest in innovation as an important engine of growth for our economy. The Government announced the Research, Innovation and Enterprise (RIE) 2020 plans to invest S$19 billion over the next 5 years across various domains, including Advanced Manufacturing and Engineering (AME) and Health and Biomedical Sciences (HBMS).

7. As part of RIE 2020, we will invest resources in developing new manufacturing technologies and capabilities that will enable companies to introduce new products as well as new therapeutic modalities, such as cell therapy and antibody drug conjugates. By leveraging new technologies and capabilities, companies can also achieve increased productivity, higher asset utilisation and reduced costs.

Developing infrastructural solutions

8. The Government will also develop infrastructural solutions to support this sector. Tuas Biomedical Park (TBP) is a dedicated space for biopharmaceutical manufacturing related activities. Over the years, several enhancements have been made to TBP to provide companies and workers with a better working environment. For instance, JTC Space @ TBP, an amenities and vendors hub, was opened in 2015 to cater to the aggregated demands of the biopharmaceutical manufacturing industry. The new Tuas West MRT extension, expected to be ready by the end of the year, will provide employees in TBP with better public transport access and connectivity.

9. The Singapore Economic Development Board (EDB) and other government agencies will continue to work closely with industry partners to develop innovative

infrastructural solutions, and ensure that Singapore remains a globally competitive manufacturing location. This could involve new business models and shared facilities which would lower investment barriers as well as reduce time to market for companies.

Building talent

10. To build up the talent base to meet the industry's growing needs, EDB is working closely with agencies like the Workforce Development Agency (WDA), as well as the Biopharmaceutical Manufacturers Advisory Committee (BMAC), which comprises the leading biopharmaceutical manufacturers in Singapore.

11. Biopharmaceutical manufacturing is a knowledge-intensive sector where talent is a critical success factor for companies. The jobs in this industry are aligned with the strengths and aspirations of Singaporeans, with good growth prospects. For instance, employment in biopharmaceutical manufacturing has more than tripled from about 1,900 in 2000 to approximately 6,000 in 2015, with locals accounting for approximately 80%. Average annual remuneration per worker in this sector was about S$102,000 in 2015. EDB expects our biopharmaceutical manufacturing sector to create more than 300 jobs over the next 3 years.

12. In particular, the biopharmaceutical manufacturing sector also offers opportunities for jobseekers who wish to reskill themselves. Such jobseekers can tap on the Professional Conversion Programmes (PCP), which include the Biologics Overseas Skills Training (BOOST) Programme. Since 2014, EDB, WDA, Singapore Polytechnic and Temasek Polytechnic have created close to 700 training positions to ensure that Singaporeans are well-prepared for new job opportunities through the various

talent development programmes. Companies such as Roche, Lonza, Novartis and GSK have participated in these programmes to provide on-the-job training in their biopharmaceutical manufacturing facilities in Singapore as well as overseas.

13. The PCPs are bearing results. One example is Mr Chong Kim Sem, 49, who tapped on the PCP to find new employment. Mr. Chong had worked in China's manufacturing sector for 10 years. After being unable to find employment for 6 months upon returning to Singapore, he enrolled in the PCP for the biologics industry. The programme equipped Mr. Chong with the new and relevant skillsets, which enabled him to take on the job as a quality assurance officer in the biopharmaceutical manufacturing industry.

Conclusion

14. It is therefore evident that the biopharmaceutical manufacturing industry offers good opportunities for new job market entrants as well as experienced workers. The Government will work with the industry to continue to build on the strong foundations that have been established. I congratulate AbbVie on its new manufacturing campus, which is an important addition to Singapore's biopharmaceutical manufacturing base. I wish the AbbVie team every success with this venture. Thank you.