

MEDIA RELEASE

IE Singapore unveils plan to help trading sector digitalise for global growth and productivity; build industry-ready talent with deep skills

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1. The Wholesale Trade Industry Transformation Map (ITM) was unveiled today by Minister S Iswaran, Minister for Trade and Industry (Industry) at International Enterprise (IE) Singapore's event "Digitalisation of Trade – New Mindsets, New Skillsets". The ITM will help companies digitalise to enhance global growth and productivity, and targets to create 10,000 new jobs by 2020. Comprising over 34,000 firms, the wholesale trade industry provides livelihoods for more than 325,000, accounting for 9% of Singapore's workforce in 2016¹.

Wholesale trade will drive economic growth for Singapore

2. In 2016, wholesale trade contributed S\$47.3 billion (12%) to the nation's gross domestic product (GDP)². The industry continues to grow strongly as Asia's rising population, urbanisation and consumerism³ drive trade flows to meet the region's increased demand for food, infrastructure materials, fuel and electronics, and more.
3. However, wholesale trade is highly susceptible to global trends such as rising protectionism as it is an externally-oriented sector. Technological advancements are also transforming the global marketplace, business models and job functions.

¹ Source: Ministry of Manpower

² Source: Department of Statistics

³ The United Nations projects that the population in Southeast Asia—the world's third largest growth region behind China and India—will grow from 616 million in 2013 to 760 million in 2040, an increase of almost 25%.

4. Said Mr Lee Ark Boon, Chief Executive Officer, IE Singapore, “Asia’s boom in urbanisation and consumerism presents new opportunities. ‘South-South’⁴ trade is also growing much faster and Singapore is well-positioned to play an important role. However, external volatility and digital technology are changing how trade is conducted. Companies need to transform business models and be equipped with new skillsets. A strong core of Singaporean talent and companies will underpin our sustainability and long-term success.”

Wholesale Trade ITM to focus on digitalisation and skills development

5. The Wholesale Trade ITM has been developed in collaboration with a wide range of key stakeholders, covering industry players, trade unions, trade associations and government agencies. It charts out strategies to ensure the sector remains relevant by:
- i) Building trade connectivity through digital marketplaces and platforms;
 - ii) Strengthening enterprise capabilities and growing a vibrant ecosystem of wholesale trading enterprises in Singapore;
 - iii) Developing industry-ready talent equipped with deep skills for digitalisation and internationalisation.

A) Build trade connectivity through digital marketplaces and platforms

6. Digital business-to-business (B2B) e-Commerce transactions are expected to reach US\$6.7 trillion by 2020⁵. To overcome disruption and tap this growth, Singapore needs to build a conducive environment for digital marketplaces and platforms to flourish. The ITM includes plans to accelerate global trade connectivity, facilitating and capturing value from e-commerce trade flows, as well as increasing SMEs’ market access and productivity through digital marketplaces and platforms.

Key initiatives:

i) ASEAN Digital Trade Facilitation Platform

- Led by Singapore Logistics Association (SLA) and in partnership with GeTS Global, expected to be ready in Q4 2017.
- Fosters collaboration among ASEAN logistics associations; facilitates customs clearance through a single window.
- Allows companies within the region to move goods across regional borders in a

⁴ Refers to countries in the southern hemisphere, namely in Africa, Asia and Latin America.

⁵ <https://ww2.frost.com/news/press-releases/global-b2b-e-commerce-market-will-reach-67-trillion-usd-2020-finds-frost-sullivan/>

more efficient and cost-effective manner.

ii) Cross Border Cognitive Supply Chain Solution

- A digital trade platform by GeTS Global and IBM Asia Pacific, collaboration agreement signed at ITM launch event today.
- Enables 350,000 connected trading partners (such as Bridgestone, Goodyear, Olam and Toyota) on IBM's Supply Chain Business Network (SCBN) to do automated customs declaration at 18 customs nodes across the world, including Singapore, China, Indonesia, Thailand and the US.
- Equipped with cognitive capabilities and predictive analytics to help traders mitigate disruptions, risks and costs. E.g. in bad weather conditions, it will recommend an alternative source for the obtaining of goods and alternative routes for shipment to ensure timely delivery.

iii) Work with trade associations and private enterprises to help SMEs list on digital marketplaces, enabling them to access new markets and enjoy economies of scale through shared services on these platforms.

B) Strengthen enterprise capabilities and grow a vibrant ecosystem of wholesale trading enterprises

7. A new government agency, named Enterprise Singapore, will be formed through the merger of IE Singapore and SPRING. This underscores the government's commitment to adapt and strengthen our support for our enterprises. Leveraging IE Singapore's core strengths in internationalisation and SPRING's expertise and levers in helping SMEs, the newly-formed agency will offer companies a holistic and integrated network to build capabilities and access overseas markets opportunities. Going forward, Enterprise Singapore will be the lead agency driving the transformation of the wholesale trade industry.

C) Develop industry-ready talent with skillsets for digitalisation and internationalisation

8. The transformation of the wholesale trade industry will create new opportunities for the workforce. Demand for specialised talent with digital skillsets such as digital marketing, global supply chain and data analytics will grow as companies address new business models. Companies will require talent with regional market exposure, connections and experience. The range of roles with greater demand include Digital Marketers, Data Analysts, Regional Business Development Managers, Risk & Compliance Officers and Supply Chain Specialists.

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9. There are ongoing partnerships with Workforce Singapore (WSG), National Trade Union Congress, Institutes of Higher Learning and industry players to identify job opportunities and prepare PMETs and students for careers in wholesale trade. The Wholesale Trade ITM skills framework, to be completed by the second-half of 2018, will provide industry-validated insights into the skillsets required for the future of trade.

Closing skills gaps and building talent pipelines

10. At the PMET level, relevant Professional Conversion Programmes (PCP⁶) and tertiary programmes will provide local PMETs with opportunities to re-skill and move into new positions in wholesale trade.

Key initiatives:

i) Certificate/ Minor Programme in International Trade

- IE Singapore and the Singapore University of Social Sciences (SUSS) signed a Memorandum of Understanding (MOU) today to develop a Certificate/Minor Programme in International Trade.
- The programme is primarily targeted at PMETs looking to develop specialised skillsets in international trade. It covers areas such as digitalisation, analytics and regional cultural intelligence.

ii) PCP - South East Asia Ready Talent

- IE Singapore, WSG and the Singapore Business Federation (SBF) signed an MOU at the ITM launch to develop a PCP to nurture a pipeline of talent with regional market knowledge.
- The structured programme includes a training curriculum for financial savviness, business and language, with participants having opportunities to network with industry leaders and learn on the job.
- Importantly, it includes market experience through overseas attachments and projects, preparing them for regional positions in Southeast Asia.

iii) PCP - International Trading Executives

- IE Singapore, WSG, the Singapore Management University (SMU) and International Chamber of Commerce (ICC) Academy launched this in 2016.
- To date, 65 mid-careerists have successfully found employment in trading companies. SMU is working towards a target of 100 PMET placements per year and will incorporate more digitalisation relevant modules for future runs.

Preparing future-ready graduates

⁶ The PCP provides a structured pathway for more Singaporeans to be equipped with fundamentals of international trade with foundation skills and knowledge in supply chain management, trade finance, risk management, logistics and operations management. Importantly, it will prepare them with skills for the future, like trade analytics and e-payment systems.

11. New academic programmes have been added to existing ones with SMU and Nanyang Technological University to develop talent for the trading sector.

Key initiatives:

i) Diploma in International Trade & Business

- IE Singapore and Ngee Ann Polytechnic signed an MOU at the ITM launch to jointly develop a Diploma programme in International Trade & Business.
- The first wholesale trade-related diploma programme in Singapore, it will incorporate modules on digital business solutions and analytics.
- First intake, estimated to enrol 120 students, will begin in April 2018.

Annex 1: Speech by Mr Lee Ark Boon, Chief Executive Officer, IE Singapore

Annex 2: Profiles of individuals working in wholesale trade

Annex 3: Chinese terms

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About International Enterprise Singapore

IE Singapore is the government agency that promotes international trade and partners Singapore companies to go global.

We attract and anchor global trading companies in Singapore by promoting our unique advantages as a global trading hub. Today, Singapore is home to a complete ecosystem for the energy, agri-commodities and metals & minerals trading clusters.

Through our network of over 35 overseas centres and comprehensive assistance programmes, we partner Singapore companies to strengthen their global competitiveness.

Visit www.iesingapore.gov.sg for more information.

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Annex 1

**OPENING REMARKS BY MR LEE ARK BOON,
CEO, INTERNATIONAL ENTERPRISE SINGAPORE,
AT THE LAUNCH OF
THE WHOLESALE TRADE INDUSTRY TRANSFORMATION MAP
ON 6 SEP 2017, 2:00PM, AT NTUC CENTRE, 1 MARINA BOULEVARD**

Mr S Iswaran, Minister for Industry,

Distinguished guests,

Ladies and gentlemen,

Introduction

1. A very good afternoon to you and welcome to the launch of the Wholesale Trade Industry Transformation Map at the NTUC Centre today.

Singapore as a marketplace for global trade



2. This building overlooks the Singapore River which since 1819, has been pivotal to Singapore's development. It served as the nation's main commercial lifeline for more than a century. Walking along the riverside, you will encounter the People of the River statue series which narrates Singapore's historical roots in trade. Starting from the front of the Maybank Tower, you will see the River Merchant Sculpture. It depicts a European merchant interacting with a Chinese trader and a Malay Chief. There are also a group of workers unloading a bullock cart a short distance away. This aptly reflects how Singapore started as a marketplace of trade. People from all over the world travelled great distances to trade and gather in Singapore. The nation served as a marketplace to match global supply and demand.

Development of Singapore's trade ecosystem



3. Across the river in front of the Asian Civilisations Museum, you will see another sculpture named From Chettians to Financiers. Traders needed credit lines to finance their trade flows. Seeing the opportunity, the Chettians set up moneylending businesses next to the many trading houses in the area. These moneylending businesses thrived as Singapore's trade flourished and they subsequently became the roots for our present financial industry. It also illustrates the strong connection between trade and other service industries such as finance as part of our larger trade ecosystem. Our trade ecosystem offers comprehensive and robust trade services needed for Singapore to be a globally competitive trading hub.

IE Singapore's role in Singapore's trade

4. Singapore has continued to build its trade along such similar lines. IE Singapore, with its network of over 35 overseas centres and comprehensive suite of assistance programmes, has been attracting global traders into Singapore and partnering with Singapore companies to strengthen their competitiveness and participation in the global trading network. We have built a vibrant and extensive participant network of global and local trading companies. We have also actively collaborated with trading companies, associations, financial institutions, institutes of higher learning, logistics players and other service providers to develop Singapore's trade ecosystem. Today, we have established ourselves as an effective, efficient and trustworthy marketplace for global trade.

IE Singapore as the lead for Wholesale Trade ITM

5. However in this time of uncertainty and increasing digitalisation of global trade, we must ensure that Singapore continues to be a competitive marketplace for the world's trade, with a diverse and resilient ecosystem that is relevant for the future.

6. To drive this next phase of Singapore's trade, IE Singapore has taken the lead to develop the Wholesale Trade Industry Transformation Map.



7. Situated in front of the Fullerton Hotel is a sculpture depicting five boys diving into the river. This is the First Generation sculpture of the People of the River statue series. These children played and grew up alongside the bustling markets and trade in the area. These children were moulded in the thriving trading environment and some may have grown up to become traders. This sculpture also reminds us that the importance of the Wholesale Trade Industry lies not only in transforming the sector but also creating a brighter future for the next generation to come.

Conclusion

8. Before I conclude, I would like to thank our key partners and all the members of our Industry Tripartite Committee for their valuable inputs and support towards the Wholesale Trade Industry Transformation Map.

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9. I would like to also express my appreciation to all panellists and distinguished participants who have made this event possible. Lastly, I would like to thank Minister Iswaran for joining us this afternoon and would now invite Minister S Iswaran, Minister for Industry to deliver his keynote address. Minister please.

Annex 2

Profiles of Individuals working in wholesale trade

Fresh graduate who joined wholesale trade gained regional experience

April Lim, 28, joined the wholesale trade industry upon graduating from NTU in 2012. As a fresh graduate, April was interested and believed in the potential of the electronics trading sector. She joined Raduga, a full service distribution company, as a Procurement Executive. A year later, April joined the market expansion and business development team at Raduga. For April, this was a valuable opportunity to gain regional experience. April was initially based in Myanmar for two months, and travelled between Myanmar and Singapore almost every month for the next 1.5 - 2 years. She learned about the country's business laws, cultural differences and the local consumers, which helped her to form more effective and targeted marketing strategies. She was part of the team that helped to set up Raduga's first operations in Myanmar. April was subsequently promoted to Head of Market and Business Development and is responsible for spearheading Raduga's expansion overseas, which includes in-country sales channel expansions in countries like Malaysia, exploring business opportunities in Indonesia, as well as partnership set-ups in countries such as Brunei, Maldives etc.

Implementing digital tools and solutions as company transforms to move ahead

Michael Ong, 43, is part of the Global IT – Asia Pacific infrastructure team at Cargill, a global trading company of food, agriculture, financial and industrial products and services. As a Service Delivery Advisor, he is responsible for making sure that infrastructure projects and operations are delivered according to service and quality standards. Prior to joining wholesale trade, he worked in the banking and energy utilities sectors. Michael has worked in Cargill for 10 years and believes that "there is no better time to be in IT than now", a phrase commonly used in his company. In the face of disruptive technologies, Cargill has identified key capabilities such as digitalisation, data analytics, insight and innovations. Michael is part of Cargill's global IT team that is responsible for implementing these digital tools to transform the company.

Mid-career entrant finds new career in wholesale trade through Professional Conversion Programme

Chew Kok Soon, 33, is a Senior Supply Chain Analyst at Luxasia, a distributor of global fragrance and cosmetics brands such as Bvlgari and Burberry. Kok Soon was a mid-career entrant, switching industries from finance to wholesale trade after he was retrenched. Being unemployed for more than six months, Kok Soon felt a need for change. At the same time, he believed the skills gained during his previous employment term such as data analysis and compilation of reports for management decisions were largely transferable. Therefore, he enrolled in the International Trading Professional Conversion Programme (PCP) and successfully found employment in Luxasia through the PCP. Through on-the-job training, a structured curriculum and networking opportunities and industry mentorships, he picked up industry-relevant knowledge and skills. Joining Luxasia as a Contract Analyst, Kok Soon was converted and promoted to Senior Supply Chain Analyst within eight months. As Senior Supply Chain Analyst, he is responsible for investigating supply chain problems and developing relevant solutions, as well as using analytical and quantitative techniques to understand, predict and enhance supply chain processes.

Annex 3

Chinese terms

S/N	English Term	Chinese Term
1	Future Economy Council	未来经济理事会
2	Industry Transformation Maps	产业转型蓝图
3	Wholesale Trade	批发贸易业
4	“Digitalisation of Trade – New Mindsets, New Skillsets”	贸易的数码化 – 新视角, 新技能
5	GeTS Global	国际电子贸易私人有限公司
6	Cross Border Cognitive Supply Chain Solution	跨境智能供应链解决方案
7	Diploma in International Trade & Business	国际贸易与商务专业文凭
8	Professional Conversion Programme (PCP) - International Trading Executives	专业人士转业计划 – 国际贸易人才
9	Professional Conversion Programme (PCP) -South East Asia Ready Talent	专业人士转业计划 – 东南亚区域人才

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