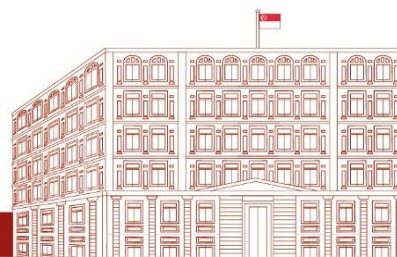## SPEECH BY MRS JOSEPHINE TEO, MINISTER FOR COMMUNICATIONS AND INFORMATION, AT THE SGTRADEX PRODUCT LAUNCH, ON 1 JUNE 2022

Mr Tan Chin Hwee, Chairman, SGTraDex Services Pte Ltd

Mr Lew Chuen Hong, Chairman, SGTraDex Technologies Pte Ltd

Colleagues and friends

1.   Good afternoon. I am pleased to join you on this happy occasion, the product launch of the Singapore Trade Data Exchange (also known as SGTraDex).

2.   Many of us would remember that just two years ago, the business environment was very different. COVID-19 had caused massive disruption and uncertainties. Singapore's economy – like the world economy – was shrouded by the dark clouds of the pandemic. To chart a new path forward, Singapore set up the Emerging Stronger Taskforce (EST).

3.   Under the auspices of the taskforce, nine Alliances for Action (AfAs) were formed. These are industry-led coalitions convened to facilitate partnerships between the private and public sectors, to identify new opportunities even though the outlook was very bleak at the time, generate innovation solutions to challenges, so that Singapore could emerge stronger together as a nation.

4.   SGTraDex was born out of this close partnership between the private and public sectors. One of the nine AfAs was on Supply Chain Digitalisation. It envisioned new opportunities that could be unlocked across the supply value chain; operational inefficiencies that could be overcome to unlock value; and business risks that could be lowered, if only there was a "common digital infrastructure" to ease data sharing across the customer journey.

5.   Members of the Alliance envisioned a highway for dataflow, I think mainly because they had experienced difficulties in finding facts and insights about what was happening to other aspects of the ecosystem, which would have facilitated more optimal planning and decision-making. They envisioned a data highway with access points that could be regulated where the data enter and exit; and also because they came from the industry, they saw the need for a marketplace for data exchanges. They also envisioned the highway to be neutral and secure by design: to facilitate trusted exchange of data while ensuring proper use; to connect supply chain ecosystems both locally and globally; and, in turn, enable ecosystem-wide digital transformation.

6.   Fast-forward to July 2021, at last year's ATxSG, where DPM Heng Swee Keat introduced the concept of SGTraDex to the world. SGTraDex is the common data infrastructure envisioned by the AfA. It serves the supply chain eco-system, allowing stakeholders to easily "plug and play" to exchange data in a secure environment.

7.   Today, we are happy to share that more robust security safeguards have been put in place in this system to ensure that users' data remain protected. Connections that directly interface with users' enterprise systems and industry applications have also been set up, permitting more seamless exchange of data. We are now ready for our official product launch of SGTraDex.

8.   My heartiest congratulations to SGTraDex Services and SGTraDex Technologies, for daring to envision this possibility of a trusted and secure data-sharing highway for the supply chain ecosystem, and for putting in all the hard work needed to turn your vision into a reality.

9.   A highway has been built, and a lot of hours and effort has been put in, but it would not have served its purpose until there is a healthy flow of traffic. Hence, we started the SGTraDex journey with three initial Use Cases representing core business archetypes that you will find in this environment.

    a. The first use case is in trade financing, where the aim is to enable participants to reconcile trade data and allow their financiers to fund trade with greater confidence.

    b. The second use case is in logistics, where the sharing of operational and events data provides greater visibility to supply chain partners to optimise the use of resources. Many assets are not being used optimally because they are unable to consolidate or aggregate their supply to meet the needs, and this data highway will enable them to discover more of the real situation.

    c. The third use case is in bunkering, to facilitate digitalisation of the documentation and processes associated with the delivery of bunkers.
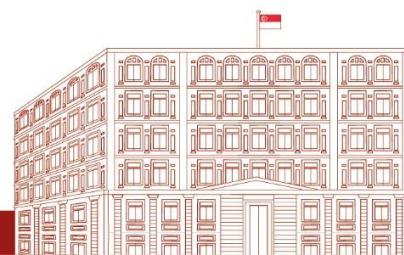
10.   Today, these three Use Cases have "gone-live". I am glad to note that **more than 70 participants,** representing stakeholders across the supply chain ecosystem, have been on-boarded. These participants include banks, shippers, hauliers and traders. Based on existing participants, these three Use Cases are expected to capture about S$100m of value by 2026, which will grow as more participants come on board. This would not have been possible without public and private sector collaboration to co-create solutions.

11.   Equatorial Marine Fuel Management Services Pte Ltd, one of Singapore's largest bunker suppliers, is one company that has benefited from SGTraDex. It has been involved in since the AfA started in May 2020. Recognising the potential of SGTraDex in digitalising Singapore's bunker industry and in building trust with banking partners, they proactively equipped seven of their bunker tankers with SGTraDex-ready hardware and software. Equatorial estimates that this will enhance process efficiency and help them save more than 50,000 man-hours per year. They believe that this obviously will give them a lot of dollar savings, and create value for the company. Importantly, the built-in transparency of SGTraDex could give their banking partners more confidence to increase financing support for the sector.

Future of SGTraDex

12.   It is heartening that our private sector partners have the ambition to grow SGTraDex together with Government. I am happy to announce that SGTraDex will work on three new Use Cases in the coming months.

    a. The first new use case is for green and sustainable financing. This will be piloted in the Building and Construction sector to tackle existing challenges in "green" certification, and green trade finance eligibility;

    b. The second new use case is for ship supplies and lighterage, where the aim is to enhance transparency and visibility of data for vessels for procurement and lighterage activities.

    c. The third new use case is for demurrage, where the aim is to provide visibility on causes of delays in cargo loading and unloading, to build accountability for ecosystem partners and optimise the demurrage management process**.**

Conclusion: Utilities for a Digital Age

13.   SGTraDex is just one of several Digital Utilities that the Government has been developing. Similar to how physical public utilities supply essential services for the efficient functioning in our daily lives, Digital Utilities are foundational services, allowing people and businesses to seamlessly connect to the digital economy in a trusted and secure way.

14.   Besides SGTraDex, other utilities that are becoming commonplace include SingPass, PayNow, InvoiceNow and TradeTrust for electronic documentation exchange. They enable a broad range of activities ranging from authentication as well as e-payments and e-invoices, and document attestation.

15.   In the next few years, the Government will take the lead to continue developing our portfolio of Digital Utilities, so as to support ecosystem-wide digital transformation within Singapore and beyond.

16.   Once again, my congratulations to SGTraDex Services and SGTraDex Technologies on a successful launch. Moving forward, I am confident that SGTraDex will build on its firm foundations, supporting our enterprises in overcoming current challenges and positioning them to grasp all future opportunities.

17.   Thank you.