

MEDIA RELEASE

## **Simplifying and Facilitating Green Trade Finance through Digitalisation**

**Singapore, 27 June 2023** SGTraDex today announced the successful completion of pilot green trade finance transactions in the built environment sector with the seamless and trusted exchange of green data and certification through SGTraDex, and the expansion of its green trade financing capabilities by bringing commercial and green data onto a single platform. With the successful pilot, the benefits provided by SGTraDex as a reliable and secure data highway can be extended to other industries, by eliminating the need for bilateral connection between parties, improving traceability and unlocking new efficiencies and opportunities.

### **Enabling a digital and traceable workflow**

A UOB-led consortium of banks including DBS, OCBC and Standard Chartered, supported by the Building and Construction Authority (BCA), Monetary Authority of Singapore (MAS) and JTC, sought to reduce the friction to accessing green data and credentials in the built environment ecosystem for evaluating Green and Sustainable Trade Finance, especially during the construction stage. The ecosystem partners brought together commercial documents and ESG data required for Green and Sustainable Trade finance to enable a digital and traceable workflow through platform providers such as Doxa Connex, eliminating existing friction in the financing process.

During the pilot which ran from 23rd May to 7th June 2023, two sets of transactions were facilitated through SGTraDex:

UOB was able to rely on data from ESGpedia to obtain the green certification data for the new Punggol Campus of Singapore Institute of Technology (SIT). By leveraging on traceability from digital document exchange, UOB was able to avail

green and sustainable trade finance to APP Engineering Pte Ltd, a sub-contractor to Kimly Construction Pte Ltd, main contractor for SIT's Punggol Campus Plot 2.

OCBC Bank has also completed its first data exchange transaction on SGTraDex with a home-grown construction and civil engineering company, the main contractor of an industrial project by JTC. Under the transaction, the Bank successfully verified through SGTraDex the project's Green Mark certification.

### **Key stakeholders expanding the use cases to support wider industry adoption**

Following the successful pilot, the industry partners comprising Doxa Connex and ESGpedia, the consortium of banks — DBS, OCBC, Standard Chartered and UOB, and the public sector including BCA, MAS and JTC, will support wider adoption to facilitate green trade financing.

**SGTraDex** acts as a data highway for commercial and ESG related data to converge, enabling ecosystem players to access all data required through one touch point.

**BCA** enables data availability from its Super Low Energy Building (SLEB) Smart Hub system as well as through the ESG Registry under MAS' Project Greenprint. SLEB Smart Hub is a comprehensive digital platform that incorporates a range of databases and digital tools to promote energy efficiency and encourage energy savings in the building environment, in support of the Singapore Green Building Masterplan.

When building developers and owners apply for Green Mark certification, they can now consent to share pertinent data with financial institutions, thus facilitating and strengthening green financing efforts. All building developers and owners in Singapore are encouraged to share their sustainability data through the SLEB Smart Hub to support the green financing eco-system for buildings. With this data, building developers and owners can benchmark their building's energy performance against industry peers. The comparison of key performance indicators like air-conditioning efficiency with other buildings helps to identify potential areas to improve energy

efficiency. Large developers in Singapore including JTC, HDB have shared their sustainability data via SLEB Smart Hub to benefit their contractor and supplier ecosystem.

**ESG Registry, part of MAS' Project Greenprint, and powered by STACS' ESGpedia**, is a ESG data and technology registry for multiple industries. For the built environment sector, ESGpedia has amalgamated project certification and green material certification data across green certificate issuers to facilitate green financing. MAS' Project Greenprint is a collection of initiatives that aims to harness technology and data to enable a more transparent, trusted and efficient ESG ecosystem to enable green and sustainable finance. Please refer to MAS' media release on Project Greenprint.

**UOB, DBS, OCBC and Standard Chartered** will leverage data including commercial and ESG related data to avail green financing to a wider pool of suppliers and contractors seamlessly.

**Doxa** is a procurement platform that facilitates the digital exchange of documents between buyers and suppliers. It focuses on simplifying complex workflows for companies in the construction industry to optimise efficiency. Leveraging the data from Doxa, ecosystem players can establish traceability of transactions back to qualified green projects.

A more transparent and efficient process will help businesses advance their green initiatives and strengthen their supply chain resilience. This will help boost the sustainability of Singapore's supply chains and establish the country as a green trade finance hub.

## Quote Sheet

**Ms. So Lay Hua, Head of Group Transaction Banking at UOB** said “We are pleased to announce that UOB can now leverage SGTraDex to access the ESG registry and other commercial data securely and seamlessly. This will allow us to provide a digital sustainable financing process to our clients. The trusted end-to-end connectivity, through a single trade data highway for relevant commercial and ESG data, will simplify green financing to the broader ecosystem including material suppliers and sub-contractors while ensuring digital traceability. The initiative started with the construction sector but its benefits of increased confidence in digital data along with operational efficiency can be also expanded across other industries. UOB is committed to building the future of Singapore as a financial hub and connecting ASEAN, by staying relevant and strengthening our digital capabilities.”

**Mr Melvyn Low, Head of Global Transaction Banking at OCBC** said “This successful data exchange gives us confidence in SGTraDex’s vision of connecting supply chain ecosystems via a trusted and secure data sharing infrastructure. We are glad to contribute to this initiative to make it easier for more building and construction companies to obtain green and sustainable financing, and we look forward to working with SGTraDex on more use cases that will benefit our customers.”

**Mr. Lim Soon Chong, Group Head of Global Transaction Services at DBS Bank** said “Streamlining the exchange of commercial and sustainability-related data points helps to bring companies a step closer to accessing green trade financing. We recognise that digitalisation, underpinned by strong public-private partnerships, is a pivotal catalyst in driving the sustainability agenda forward. Through SGTraDex, banks can access trusted and secure data in facilitating expanded financing opportunities to corporates across industries, and accelerate the transition to a low-carbon future.”

**Ms. Maisie Chong, Head of Trade and Working Capital, ASEAN and Head of Transaction Banking, Singapore at Standard Chartered Bank** said “The availability of reliable, timely data will help to enable building and construction players, of all sizes, to gain improved access to sustainable finance. This enhanced capability is an important step forward in reaching our collective goal of a net zero future. At Standard Chartered we are committed to working with our partners and clients to support effective climate action as we accelerate financial solutions that pave the way for a just transition.”

**Mr Ang Kian Seng, Group Director, Environmental Sustainability Group at BCA** said “This pilot promotes transparency in sustainability-related data disclosure in the built environment. It will facilitate the access to green financing opportunities and enable building owners to pursue their environmental objectives. We encourage all building developers and owners to register on the SLEB Smart Hub to share their data for green financing and contribute to a stronger green financing eco-system in the built environment. Green financing is a key instrument that leads to all-win results among green building project stakeholders, which will help us speed up the realising of our Singapore Green Building Masterplan’s ‘80-80-80 in 2030’ targets.”

**Mr. Ng Eng Sin, Director, Facilities Engineering & Systems at JTC** said “At JTC, we are committed to spearheading sustainable innovation in the building and infrastructure sector. We are pleased that the financial sector is keen to incentivize the design and development of BCA Green Mark buildings and recognise the collaborative effort from contractors and suppliers towards achieving this common goal. We encourage our fellow developers to provide their support to this initiative and collectively drive towards sustainability in the sector.”

**Mr. Lim Cheng Khai, Executive Director, Financial Markets Development Department at MAS** said “The successful pilots ease the friction in tracing and verifying sustainability-related data in the building and construction supply chain, and bring Singapore a step closer to catalysing green trade finance to support the decarbonisation of our economy.”

**Mr. Edmund Ng, Co-Founder & CEO at Doxa Holdings** said “Doxa is proud to be at the forefront of digital transformation and innovation for the built environment sector with Doxa Connex, our procure-to-pay-to-financing platform. This pilot demonstrates how end-to-end workflow digitalisation through Doxa Connex can be amplified through partnership with SGTraDex to support our customer’s financing and sustainability agenda while delivering meaningful savings from operational efficiency.”

**Mr. Benjamin Soh, Managing Director at STACS** said “At STACS, we believe in an ecosystem-wide approach in driving sustainable development. Covering over 5 million sustainability disclosure data points, and empowering multiple industries across Asia towards Net Zero, ESGpedia serves as an epicentre of a rapidly growing ecosystem of partners across the region. Our partnership with BCA and SGTraDex underlines our commitment to contribute to greater access to better, more granular data for sustainability and effective green finance to accelerate the region’s decarbonisation goals.”

**Ms. Thaw Yee Leng, Head of Market Development at SGTraDex** said “SGTraDex’s role as a data highway from a public-private partnership forms the foundation of a neutral trusted data environment for data flow and exchange. The established connectivity with ESGpedia (powered by STACS) as part of MAS’ Project Greenprint and Doxa enabled Green Mark certification and commercial data to converge through a single touchpoint, providing data access for the building and construction players and facilitating green trade finance decision by banks. This proof of value between SGTraDex and partner banks UOB, OCBC, DBS and Standard Chartered, supported by MAS, BCA and JTC had been instrumental to collectively accelerate the drive towards industry-wide sustainability outcomes.”



## Notes to editor:

### About SGTraDex

Launched on 1 June 2022, the Singapore Trade Data Exchange (SGTraDex) is a digital utility that facilitates the sharing of data between supply chain ecosystem partners, streamlining information flows through a common data highway where data can be shared in a trusted, secure and inclusive manner.

SGTraDex uses proprietary technology anchored through a public-private partnership model to resolve pain points in supply chain ecosystems including a heavy reliance on a paper-based system which lacks efficiency, transparency and sustainability. The move to digitise information will increase productivity and build supply chain resilience. New efficiencies and opportunities will be unlocked when ecosystem partners can collaborate to achieve a shared visibility of the end-to-end supply chain. For more information, visit [sgtradex.com](https://sgtradex.com)

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