

Factsheet

Singapore Introduces SGTraDex, an Interoperable Common Data Infrastructure to Connect Supply Chain Ecosystems

SGTraDex pilots have potential to unlock more than S\$200 million of value annually

AfA Journey

Recognising the need to overcome COVID-19's challenges and identify new ways to drive Singapore's economy forward, the Emerging Stronger Taskforce (EST)¹ convened seven Alliances for Action² (AfA) in June 2020. The AfA on Supply Chain Digitalisation brought together the private and public sector to address challenges and explore opportunities to transform the supply chain ecosystem.

The AfA recognised that building a common "digital infrastructure" to underpin and ease data sharing would enable multiple stakeholders to come together to drive economic transformation. To enable this, a common data infrastructure and data-sharing framework, designed to be **neutral** and **open**, was conceptualised by the AfA. This infrastructure will allow the trusted exchange of data, connect supply chain ecosystems both locally and globally, and support ecosystem-wide digital transformation.

This is part of a **suite of digital infrastructure and utilities** being developed, including the SGFinDex for the financial sector, that provides a strong foundation for Singapore's Digital Economy.

SGTraDex

The Singapore Trade Data Exchange (SGTraDex) was developed and driven by three initial use cases, that represent various core-use archetypes, to push the boundaries of innovation for a trusted data exchange. The SGTraDex use cases demonstrated the ability to:

- **Strengthen financing integrity of trade flows:** SGTraDex enables participants to reconcile trade data with actual physical flows. With access to actionable data in a timely manner, participants are able to easily reconcile the authenticity of key trade information and allow their financier to fund the trade with confidence. This use case provides for the local and global sharing of trade data. It also provides for innovative financing solutions, to be developed on top of SGTraDex.

¹ The Emerging Stronger Taskforce (EST) was formed under the Future Economy Council (FEC) to review how Singapore can stay economically resilient and build new sources of dynamism to emerge stronger from COVID-19. For more information on the EST, visit www.emergingstronger.sg

² The first seven AfAs formed in June 2020 are in the areas of Digitalising Built Environment, Robotics, Supply Chain Digitalisation, Sustainability, Edutech, Facilitating Smart Commerce, and Enabling Safe and Innovative Visitor Experiences.

- **Enhance end-to-end visibility of container logistics flows:** SGTraDex enables the sharing of operational and events data to provide greater visibility to supply chain logistics partners such as hauliers and shippers, who can then better co-ordinate and optimise the movement of container and cargo flows to and from manufacturing sites, warehouses, depots and ports. The improved visibility will unlock the ability of supply chain ecosystem partners to plan better, improve their asset utilisation, increase productivity and enhance operational efficiencies, keeping their businesses agile and resilient.
- **Provide real time visibility - digitalising the bunkering industry:** SGTraDex enables the industry to digitalise documentation and processes associated with the delivery of bunkers. This improved transparency allows companies to reconcile actual usage and helps bunkering players enhance their operational efficiency and financing, close to real time.

The three initial use cases have the potential to unlock more than **S\$200 million (US\$150 million) of value annually** when fully developed.

Public-Private Partnership – Driving Development and Adoption of SGTraDex

To anchor the public-private partnership, a Heads of Agreement (HoA) was signed by Infocomm Media Development Authority (IMDA), AfA Co-Chairs PSA International and Trafigura, and key industry participants DBS Bank, Jurong Port, OCBC Bank, Ocean Network Express, Oiltanking, Pacific International Lines, Standard Chartered Bank, and United Overseas Bank.

Under the HoA, partners will build on this initial momentum to expand the scope of existing use cases, develop new ones, bring onboard their respective ecosystems, and drive SGTraDex's adoption locally and globally. SGTraDex has the added flexibility to be the data infrastructure for other sectors, ranging from construction to aviation, unlocking even more potential value.

SGTraDex is expected to be fully rolled out in early 2022, allowing more industry players to participate and capture value from it. For more information on how to participate in SGTraDex, please visit www.sgtradex.com.

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About Infocomm Media Development Authority (IMDA)

The Infocomm Media Development Authority (IMDA) leads Singapore's digital transformation with infocomm media. To do this, IMDA will develop a dynamic digital economy and a cohesive digital society, driven by an exceptional infocomm media (ICM) ecosystem – by developing talent, strengthening business capabilities, and enhancing Singapore's ICM infrastructure. IMDA also regulates the telecommunications and media sectors to safeguard consumer interests while fostering a pro-business environment and enhances Singapore's data protection regime through the Personal Data Protection Commission.

For more news and information, visit www.imda.gov.sg or follow IMDA on Facebook IMDAsg and Twitter @IMDAsg.

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Quotes from Signatories of the SGTraDex Heads of Agreement

1. IMDA

“By implementing a common digital infrastructure, within a common data framework, we enable the supply chain ecosystem to easily share data across multiple partners. This generates significant value. We call SGTraDex a ‘digital utility’. Much like infrastructure in physical world, this provides an infrastructure foundation in the digital world, and is one of several we are spearheading with the industry. SGTraDex is neutral and open, providing a base on which partners can build value-added services. We look forward to work closely in this public-private partnership to transform the supply chain sector, for a start. We also see tremendous potential for SGTraDex across many other parts of our economy which can benefit from a trusted data sharing infrastructure.”

Lew Chuen Hong,
Chief Executive, Infocomm Media Development Authority of Singapore

2. PSA International

“At the heart of it, end-to-end supply chain visibility is only possible if we have robust structures in place that enable a myriad of stakeholders to collaborate with trust, and at scale. Previously trust had to be established on a one-to-one relational basis. Digitalisation now offers us the opportunity to change this and build trust into a network through a neutral digital utility such as SGTraDex. Built upon a strong public-private partnership model that is a signature of the Singapore brand, SGTraDex offers us the platform to reform the conventional paradigms of the trade ecosystem towards a culture of data sharing nation-wide as well as internationally, underpinned by good data governance.

PSA has been working with supply chain partners locally and globally during recent years to promote supply chain digitalization but with varying success pre-COVID. We are confident that the approach taken in SGTraDex, fostering stronger convergence of public-private interests and innovative fervor, will underpin the development and adoption of the digital supply chain platforms that will transform and enhance Singapore’s position in global trade and supply chains.”

Tan Chong Meng,
Group CEO, PSA International Pte Ltd
Co-chair, Action for Alliance on Supply Chain Digitalisation

3. Trafigura

“Trafigura fully supports this major step forward in the live development of SGTraDex digital infrastructure, whose development to date has been driven by a strong public-private sector collaboration to improve data sharing, process flows and transparency within the supply chain ecosystem. We believe that SGTraDex is now well positioned to play an important role in the future in strengthening Singapore’s natural position as a hub for international trade and as a centre of excellence for cross border supply chain finance.”

Tan Chin Hwee,
CEO Asia Pacific, Trafigura Pte Ltd
Co-chair, Action for Alliance on Supply Chain Digitalisation

4. DBS

“Digitalisation will continue to drive the evolution of trade in unprecedented ways. The current pandemic has forced us to focus on digitalising our supply chains and I believe that in the near future, global trade will look markedly different. It is therefore imperative for Singapore as a global trade hub to be future-ready. Several initiatives to digitalise onshore trade services have been pursued over the years within Singapore, but the absence of an end-to-end horizontal view has come in the way of both effectiveness and efficiency. Likewise, global efforts to digitalise supply chains have existed for several years but faced challenges in terms of driving usage at scale and gaining consensus on platforms. This is where we hope SGTraDex will be a gamechanger by solving for in-country workflows and processes, catalysing a different approach for cross border collaboration at scale. Together, the SGTraDex and SGFinDex infrastructures will help showcase Singapore as a truly data driven country, providing the infrastructural highways for the new economy.”

Piyush Gupta,
CEO, DBS Group

5. Jurong Port

“As Singapore’s premier multi-purpose port operator, Jurong Port (JP) handles a diverse range of bulk, breakbulk and containerised commodities, such as construction materials and petroleum products that are vital for our nation’s supply chains. SGTraDex will be a key infrastructure to enhance transparency, efficiency and security of information flows through its common data infrastructure. JP is privileged to be part of this public-private partnership model as we look forward to helping Singapore emerge stronger in a post-COVID world.”

Ooi Boon Hoe,
CEO, Jurong Port

6. OCBC

“It is exciting to see the use of technology and a public-private partnership model to create a trusted and secured data sharing infrastructure for trade. One key threat to trade is fraud. To mitigate the risks, banks have been looking for solutions to secure the data and its flow, authenticate the parties and documents, in a transparent way from end to end for each trade. We have not been able to crack it. SGTraDex will address all the pain points, and even present business opportunities for innovative solutions. It is a game changer, further enhancing the trust and reputation of Singapore as a global trading hub and a leading financial centre. Adopting a use-case approach to build the common data infrastructure to solve business issues and create value is very pragmatic. Working with the partners, OCBC will develop more use cases beyond commodity trading and the bunkering industry. Through it, we can maximise the potential of SGTraDex and support the strong growth of both local and international trade flow after the COVID-19 pandemic.”

Helen Wong,
CEO, OCBC Bank

7. Ocean Network Express

“Digitalisation is essential to shaping the future of international trade and global supply chains by reinforcing interoperability amongst multiple stakeholders and creating seamless end-to-end digital solutions. Securing a common data infrastructure approach and interchanging trusted data flow is essential. As ONE, we are honored to be one of the founding members of SGTraDex, and through this new and innovative public-private partnership model, hope to be able to further enhance Singapore’s position as a major global trade hub.”

Jeremy Nixon,
CEO of Ocean Network Express Pte. Ltd.

8. Oiltanking

“Oiltanking is one of the largest global logistic partners and has been active since 1972. We own 3 terminals in Singapore with over 2.2 million cbm of oils, gases and chemicals storage. With our continued success in oil commodity trading and logistics hub brought about by the robust commodity ecosystem and business-friendly government policies in Singapore, Oiltanking is pleased to join the industry-led public-private partnership initiative to enhance digitalisation in the supply chain. SGTraDex will be core to this digitalisation initiative in realising significant gains in various key areas like utilisation of assets, process efficiencies and building trust and transparency in the ecosystem.

Singapore, as a global trading hub, has always been synonymous with trust, transparency and efficiency. This positive reputation along with the strong technology drive sets a strong basis for Singapore to emerge as the global leader in driving solutions for Industry, Society and Government especially in the evolving energy sector.”

Snehashish Chatterjee,
Vice President, Southeast Asia, Oiltanking

9. Pacific International Lines

“PIL is proud to participate in this unique opportunity to support Singapore’s ambition to construct digitalised and resilient supply chain and trading solutions securing efficiencies and community interests. Many good initiatives to build digital solutions amongst business and regulatory parties take place in countries and ports around the world. SGTraDex’s vision and strategy are well founded. With the broad span of committed stakeholders coming together, Singapore has a unique position and opportunity to develop a transparent and neutral infrastructure, which can shape our interactions and become a role model in the future.”

Lars Kastrup,
Co-President and Executive Director, Pacific International Lines

10. Standard Chartered Bank

“We are very pleased to contribute our global trade and innovation expertise to the development of SGTraDex. The future of supply chain sustainability is a digital one - built on trusted, secure and easy-to-use data-sharing infrastructure that’s accessible to all industry players. Standard Chartered is committed to supporting Singapore’s goal of building a trusted international digital supply chain ecosystem, and we look forward to contributing the experience from our unique network to help accelerate Singapore’s digital journey.”

Simon Cooper,
Chief Executive, Corporate, Commercial & Institutional Banking and
Chief Executive, Europe & Americas, Standard Chartered

11. UOB

“Geopolitical issues and the pandemic have seen a reshaping of what is fundamental to Asia’s growth – international trade. This has led to the regionalisation and reconfiguration of trade flows and supply chains, accelerating the role of technology in increasing supply chain resilience and infrastructure interoperability.

SGTraDex, a public-private partnership, will enhance Singapore’s ability to support global supply chains, thereby bolstering the country’s role as a key trade and financial hub. Through SGTraDex, all parties in the ecosystem will have a common and trusted data infrastructure for end-to-end tracking of trade and financial flows. The increased visibility of trade activities will enable financial institutions to provide stronger support for their customers’ cross-border needs. This is pertinent for UOB as we continue to open doors for businesses across Asia.”

Wee Ee Cheong,
Deputy Chairman and CEO, UOB