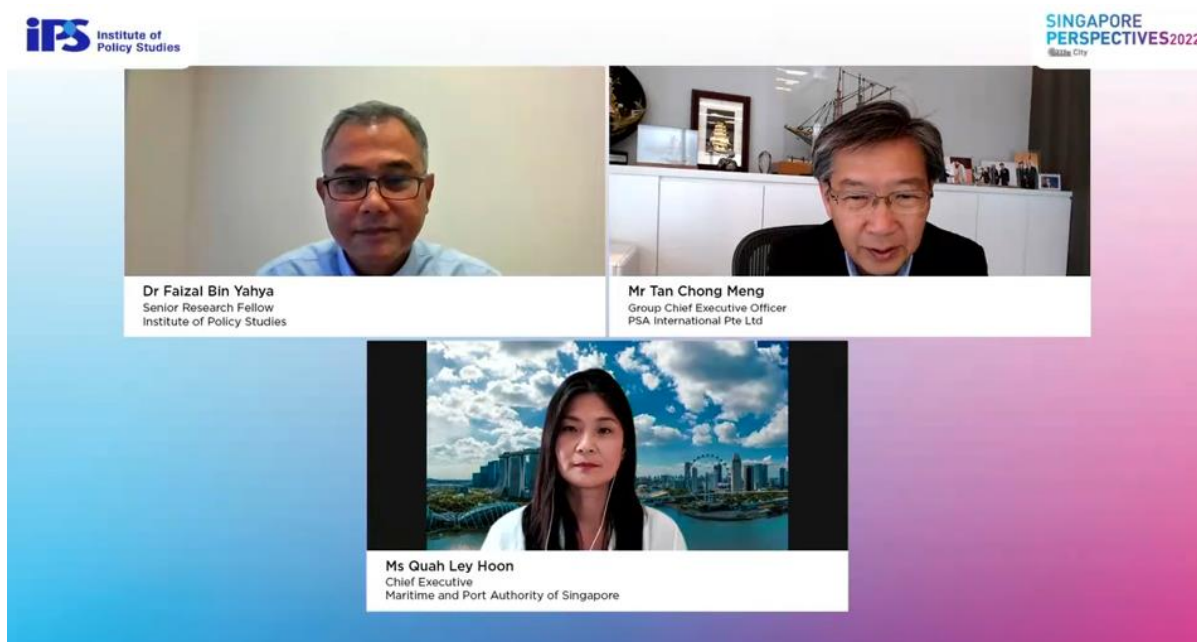


Singapore Perspectives Conference 2022: City Forum 5: City as Connected Space

By Fiona Phoa



Caption for photo: Panellists at the fifth forum of Singapore Perspectives 2022, moderated by Dr Faizal Bin Yahya

The fifth forum of Singapore Perspectives 2022, “City as Connected Space”, was moderated by Dr Faizal Bin Yahya, Senior Research Fellow, Institute of Policy Studies. The speakers were Mr Tan Chong Meng, Group Chief Executive Officer of PSA International Pte Ltd, and Ms Quah Ley Hoon, Chief Executive of the Maritime and Port Authority of Singapore. Dr Faizal opened the forum by giving an overview of Singapore’s global connectivity and locational advantages. He also shared about the development of Changi Airport and its performance during the pandemic.

Opening Remarks by Ms Quah Ley Hoon

Ms Quah described the importance of Singapore’s global hub port and international maritime centre, highlighting Singapore’s plans on staying ahead as a global hub. She introduced the new Tuas port as a smart next-generation port, which would be well connected, with a focus on productivity, optimising land use, safety and security, and sustainability. She also shared about the efforts in place to connect data and streamline information flow across supply chain ecosystem partners. To enhance cyber security, Singapore was also acquiring advanced

cyber and data security technologies, and training analysts on maritime cyber security. She added that Singapore was committed to innovation in the industry, and explained that a maritime innovation hub was being developed to drive innovation in the industry by supporting start-ups.

Opening Remarks by Mr Tan Chong Meng

Mr Tan believed that the maritime ecosystem needed to stay ahead of change, and shared some key changes that have happened in the industry. He highlighted how Singapore had multiple ports across the world, which allowed us to see through the supply chain, and how the Tuas port would be built differently to make use of adjacent industries. He outlined the need to prepare people to embrace new technologies and mindsets, and how working with digital solutions would improve efficiency and reliability in the industry. While reliability of the global supply chain was taken for granted in the past, its reliability has been halved today due to the pandemic. Technology has created the possibility to cross borders and digitalise. He also shared the key developments in creating new connectivity excellence, such as the building of an intelligent logistics ecosystem to enhance digitalisation across the logistics system, providing support for cargo inside containers, and having a common data highway to facilitate secure data sharing between supply chain ecosystem partners.

Question & Answer

The panellists addressed questions regarding the considerations behind the location of the Tuas port; remaining competitive in the face of new challenges; the impact of the pandemic and how Singapore could emerge stronger from it; how the shift towards green energy may affect Singapore's bunkering and petrochemical hub; and talent development in the industry.

When asked about the potential threat of new developments in the industry such as the Kra project and Northern passage, Ms Quah said Singapore was able to differentiate itself from the competition with a strong maritime ecosystem, being forthcoming to developing new plans for the industry and having a strong network and enjoying high trust in our port. Mr Tan shared that Singapore could continue to work on its strengths while participating in new developments to see possibilities and raise value-add to Singapore. He believed that the economic activity on the Northern passage was low, and the economic viability of a shipping route would be dependent on the pick-up and drops of containers the ships are able to make on their journeys based on the economic activity on the route, adding that the hub-and-spoke model was still very much needed.

The panel was also asked if they saw the Belt and Road Initiative (BRI) as a challenge or opportunity, and how we can maintain our competitiveness in the face of many challenges. Mr Tan shared that the thinking has shifted from the hub-and-spoke model to networks, by treating the transshipment centre as a node of the network. For the whole supply chain to be successful, all nodes of the network would need to play their role. We should think of ourselves as a regional player supported by a regional centre in the network, he added, and having the capability to plan, prioritise and operationalise within this network end-to-end would be more important than just having a number of physical points. With today's digital connectivity, he suggested we could do better by setting up a highway with a common data environment, which would help to orchestrate the different parts of the supply chain. Ms Quah added that

technology would continue to help improve efficiency on a global scale and benefit all, hence developments such as the BRI could be seen as a collaborator.

On the topic on how the pandemic had affected the mid-term or long-term plans for the industry, Ms Quah shared that Singapore had continued to build on our reputation by showing our commitment, resolving problems and helping the industry to transform, while Mr Tan shared that the situation was still unstable, and there were still concerns over essential goods. Singapore responded by having better digital monitoring and ensuring that we had enough essential goods. Moving forward, he noted that we could do things differently by paying attention to goods that are challenging to move, and said that industry players were also reaching out to Singapore to see how they could use Singapore as a strategic location.

Ms Quah also talked about how there had been active engagement with companies to encourage more people to work in the sector, and highlighted the need to market the industry in order to attract talent. Mr Tan noted how the industry had evolved to become more integrated and systems-based, emphasising the need to encourage workers to grow in their jobs by multi-skilling and leading others through change as well. He noted how training had accelerated through the pandemic, and how the syllabus and delivery of content had changed which allowed learning to be rolled out more expansively.

Another question posed by the audience was on how the shift towards green energy would affect our bunkering and petrochemical hub. Ms Quah stated that the strategy would be a multi-fuel bunkering transition hub where Singapore will work with industry players to form value chain ecosystems. Work was in progress to help the industry — such as by setting up a future fuel network to work on building global standards, conducting trials, and working with industry players on how to bring the necessary fuel in and what industry players could convert their tanks to. Mr Tan agreed, and added that we could be more responsible for supply chain processes and outcomes — regardless of the fuel we use — by greening both fuel and supply chain choices.

The panel also shared on the importance of finance in funding infrastructure and processes in the industry. Ms Tan described how the bigger players were looking into future investments to finance and how market-based mechanisms and the building of the carbon-trading hub would facilitate investments into the sector. Mr Tan added that there was an emergence of criteria to fund suitable projects in green financing among the government and financial institutions, but hoped that investments would be more diverse through other investments such as commercial investments or private investments. He noted the need to bring together good advisory, assessment, accreditation, business models, measurement, structuring of funds and way to engage impact investor into community.

Fiona Phoa is a Research Assistant at the IPS Social Lab.

IPS is grateful to the following organisations for their support of IPS and Singapore Perspectives 2022:



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