

# EDB Annual Report

08/09

Home for  
**Innovation**

Home for  
**Talent**

Home for  
**Business**



# Chairman's Message

## Singapore, Your Home in Asia

2008 was a challenging year for businesses, with the global economic downturn impacting many industries and companies. Singapore was not spared, but we remain strongly committed to partnering businesses in riding out the cycle and helping them seize opportunities upon the eventual recovery. To this end, Singapore introduced a S\$20.5 billion resilience package, targeted at easing costs for business as well as preserving and creating jobs. EDB also rolled out a S\$100 million programme, PREP-UP (PREParing for the UPturn) that will co-share manpower, training and related costs with companies, to help existing workers acquire new capabilities and allow companies to recruit new people. At the same time, we extended the deadlines for incentive milestones that are due this year under our incentive schemes. Finally, we made financing available for good and viable projects which were located in Singapore.



Despite bearish market sentiments, the year saw the Economic Development Board (EDB) contribute significantly to the economic future of Singapore. I am pleased to share that EDB achieved a record S\$18 billion in Fixed Asset Investment (FAI) and S\$7.8 billion in Total Business Spending (TBS) from the manufacturing and services sectors. This affirmed the hard work and dedication of EDB officers and the strong support that EDB continues to receive from business partners, whose unwavering confidence in Singapore exemplifies true partnership and has been the bedrock of our economic success.

## Sharpening Singapore's Economic Development Strategy - Host to Home

I believe that prevailing economic challenges will not dim the vision of long-term strategic growth. The rising importance of Asian markets, societal, demographic and climate changes are megatrends which offer businesses new growth opportunities. Singapore seeks to partner companies looking to harness these opportunities, by building on our strong traits as a business location and adding new layers of strengths.

We are adding to our offering for business success by mounting what we call our "Host to Home" initiative. Singapore's proposition to investors has mostly been as a great Host - offering great infrastructure, both hard and soft; a safe, secure and friendly living environment; a government whose policies and practices are consistent, predictable and abiding strictly by the rule of law; and a workforce willing to learn fast, work hard, deliver quality, and be both efficient and effective. Now we want also to be a great Home - Home for Business, Home for Innovation and Home for Talent.

## Home for Business

The rising importance of markets in Asia - not just China, not just India, but also ASEAN - will increasingly shape global trade and investment flows. Companies will want some of their top managers who shape global business strategy and decide regional business direction to live within Asia, to feel the pulse, spot the opportunities, and ride on the networks of contacts and relationships. Singapore offers the presence in Asia, the connectivity to Asia, and the marketplace of thought and perspective. This will be the place where Asian companies connect into the world and where non-Asian companies connect into Asia. For them, Singapore can be the erstwhile (second) home for global businesses.

## Home for Innovation

Global trends such as urbanisation, ageing and rising affluence have led to new demands and needs which require innovative solutions. Singapore itself needs such solutions, and companies can tap on our city environment, network of partners from public and private sectors as well as strong capabilities in IT, healthcare and urban planning to co-create new products and services. Singaporeans are also IT-savvy and both familiar and critical of the new and novel, whether they be electronic gadgets or electric cars or games and animation, or food and fashion. Ideas successfully tested in Singapore can then be put to global markets. Singapore can therefore serve well as a “living lab” for new ideas, new products and new services - a Home for Innovation.

## Home for Talent

People are the most important success factor for both businesses and Singapore. As a country that prides itself on its well-qualified and adaptive workforce, we are strongly dedicated to attracting, developing and retaining talent, both local and foreign alike. Talent are drawn to Singapore for our high quality of life and the exciting opportunity to work with top businesses on cutting edge projects. Similarly, companies are attracted here because of the availability of relevant talent. This mix of premier companies and talented individuals has made Singapore the microcosm of excellence and innovation that it is today, and will continue to spur its growth tomorrow - a true Home for Talent.

## Host to Home

“Host to Home” is an evolving reality. Our steadfast partnership with companies in growing their businesses will in turn create exciting jobs for the Singapore populace and fuel economic growth for the country. We strive to be the destination of choice for companies looking to manage their bottom line, grow their top line and establish a growing presence in Asia. I look forward to another year of exciting projects and fulfilling partnerships.

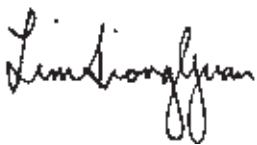
## Shaping Singapore’s Economic Future

After close to three years as Chairman, I step down from the post on 1 July 2009. This has been an inspirational and enriching experience for me. Together with our business partners and staff, we have achieved much in shaping Singapore’s economic future.

I want to thank all EDB staff for their tireless efforts in this endeavour. It has been very much my privilege to have been part of this great team of energetic, enthusiastic and resourceful people.

We would also not be where we are without the unstinting support of our business partners. I thank all for their strong confidence in Singapore and EDB. I leave EDB in good shape for the incoming Chairman Mr Leo Yip. No doubt there will be new challenges, many that can be anticipated, a number that could take us by surprise. But vigour and imagination will see us through in shedding the past and reaching out to the emerging opportunities.

My best wishes to everyone for a bright and rewarding future.

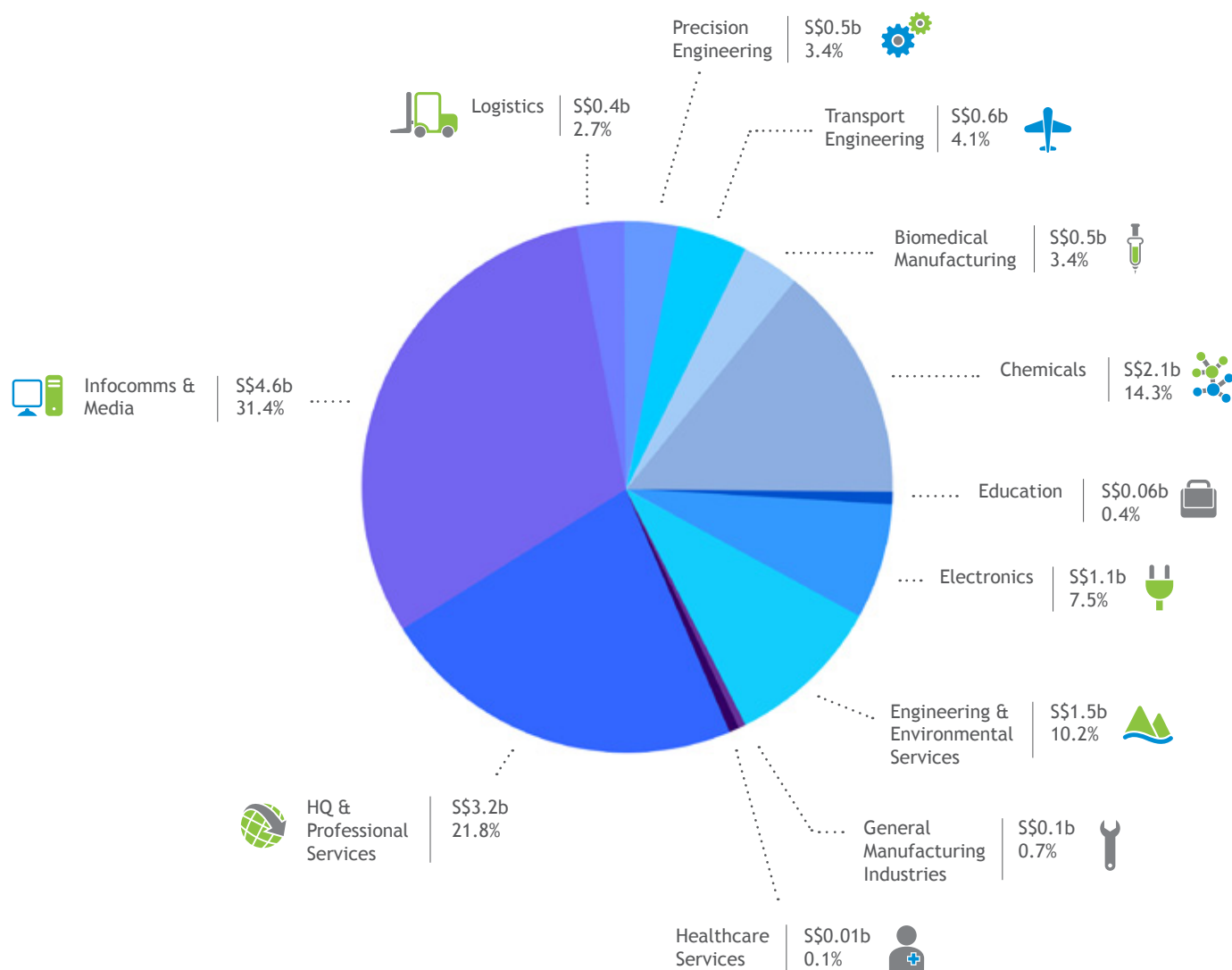


Lim Siong Guan  
Chairman (Appointed till 1 July 2009)  
Singapore Economic Development Board

# Performance Indicators

## Value Added (VA)

Total VA Expected to be Generated by Industry, 2008  
(S\$billion)

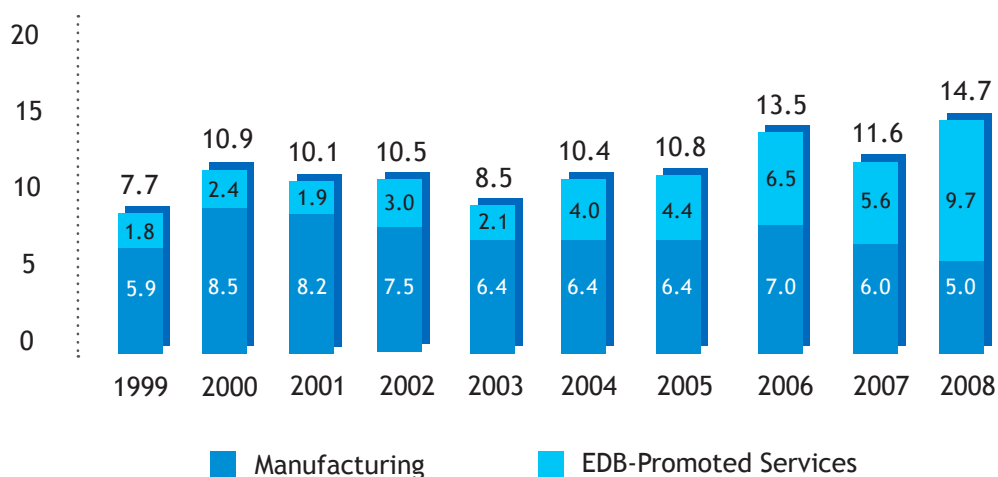


Total: S\$14.67 billion

### Total VA Expected to be Generated by Industry (S\$billion)

Industry	2007 VA	2008 VA
Biomedical Manufacturing	1.5	0.5
Chemicals	1.0	2.1
Education	0.1	0.06
Electronics	1.7	1.1
Engineering & Environmental Services	1.0	1.5
General Manufacturing Industries	0.5	0.1
Healthcare Services	0.03	0.01
HQ & Professional Services	2.5	3.2
Infocomms & Media	1.5	4.6
Logistics	0.5	0.4
Precision Engineering	0.6	0.5
Transport Engineering	0.7	0.6
<b>Total</b>	<b>11.63</b>	<b>14.67</b>

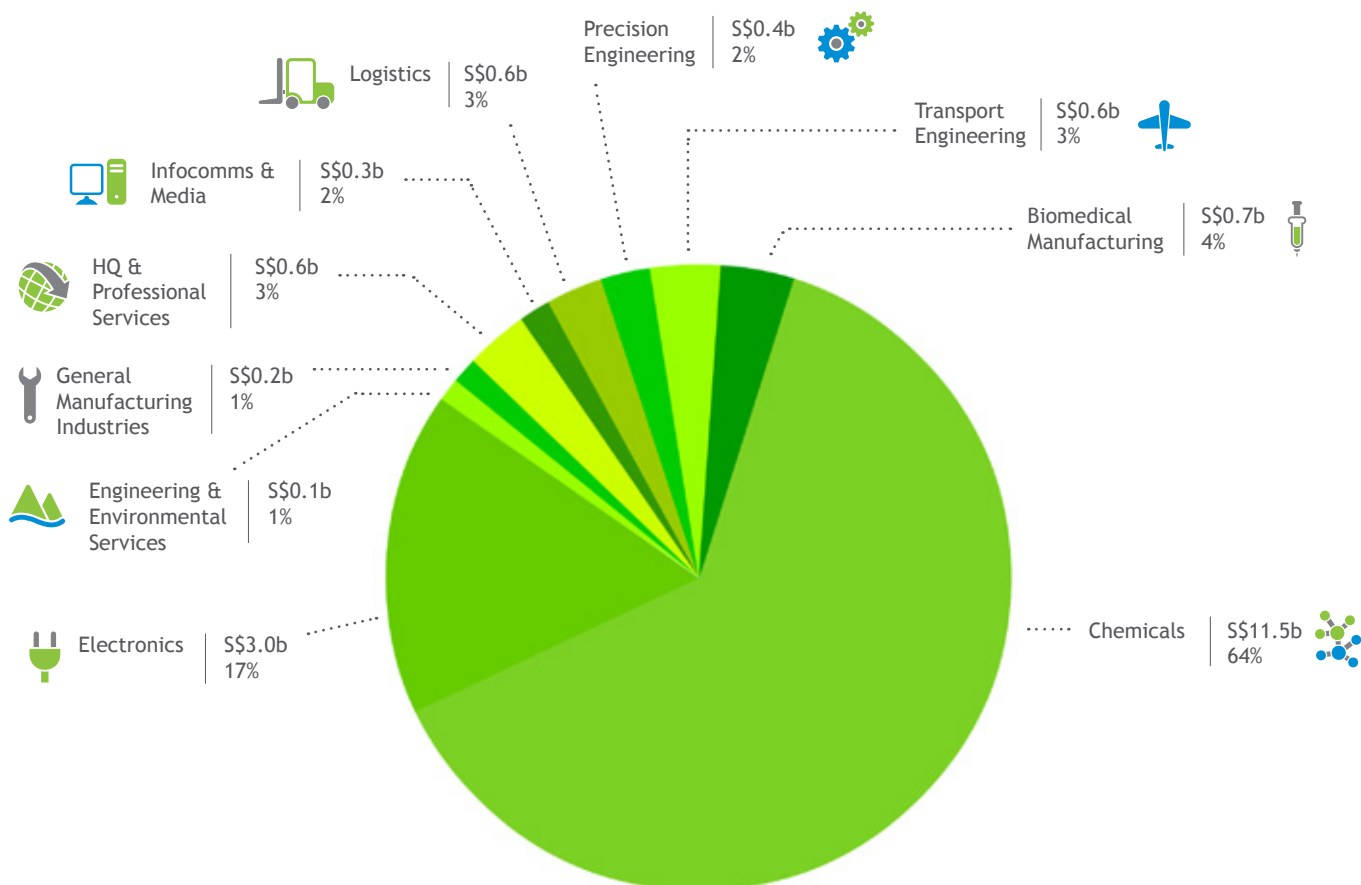
### Total Expected VA to be Generated by Investments Committed, 1999-2008 (S\$billion)



# Performance Indicators

## Fixed Assets Investments (FAI)

Total FAI Commitments by Industry, 2008  
(S\$billion)

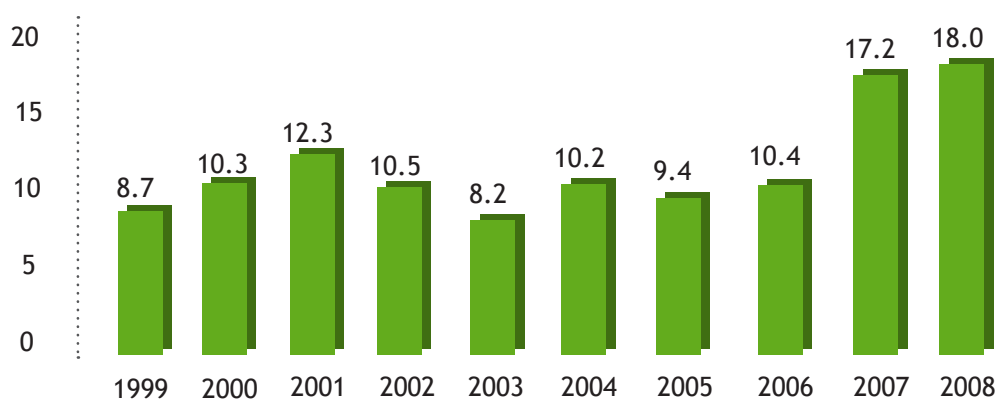


Total: S\$18.00 billion

**Total FAI Commitments by Industry**  
(S\$billion)

Industry	2007 FAI	2008 FAI
Biomedical Manufacturing	0.9	0.7
Chemicals	8.6	11.5
Electronics	5.2	3.0
Engineering & Environmental Services	0.1	0.1
General Manufacturing Industries	0.5	0.2
HQ & Professional Services	0.3	0.6
Infocomms & Media	0.1	0.3
Logistics	0.6	0.6
Precision Engineering	0.4	0.4
Transport Engineering	0.5	0.6
<b>Total</b>	<b>17.20</b>	<b>18.00</b>

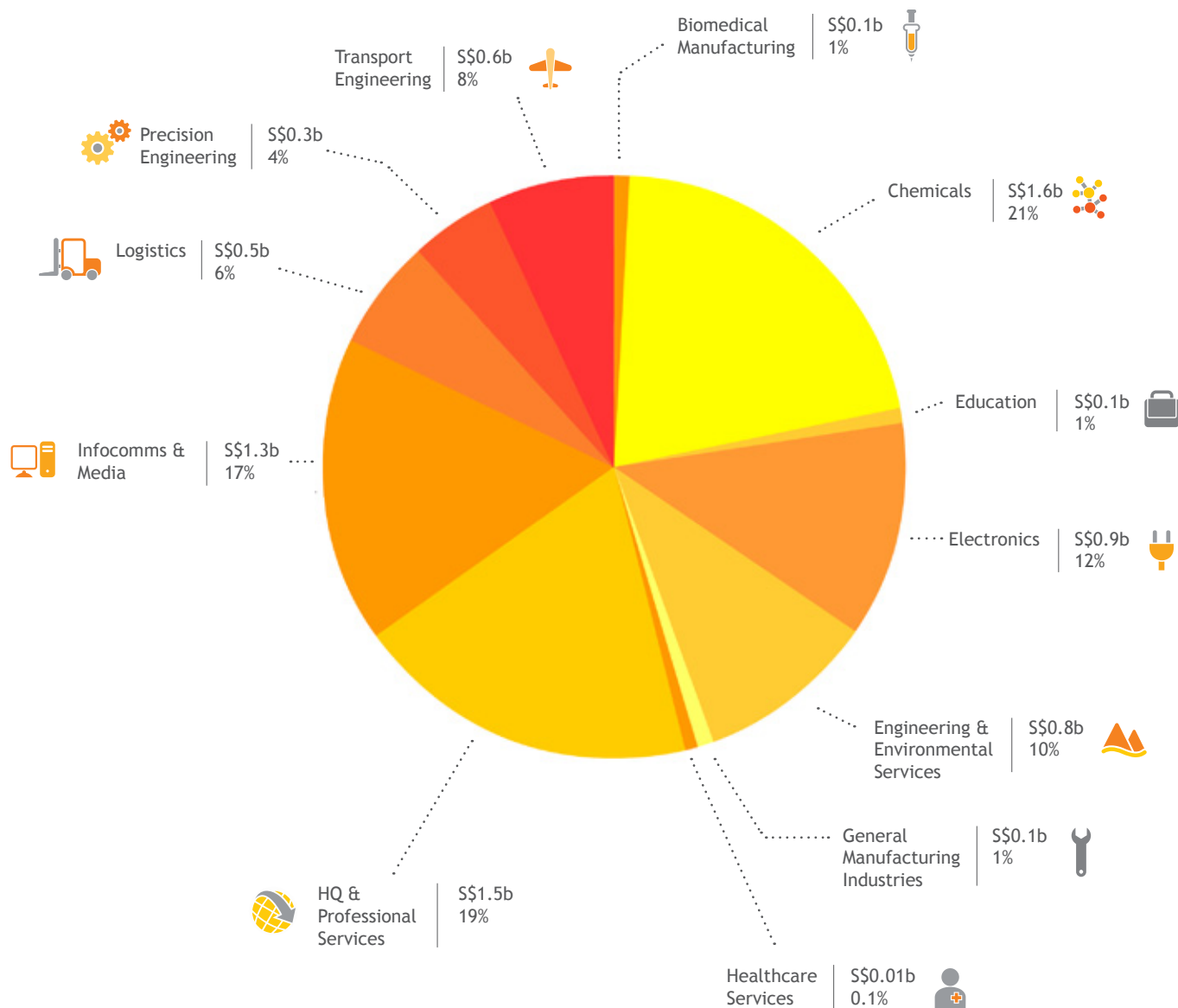
**Total FAI Commitments, 1999-2008**  
(S\$billion)



# Performance Indicators

## Total Business Spending (TBS)

TBS Commitments by Industry, 2008  
(S\$billion)

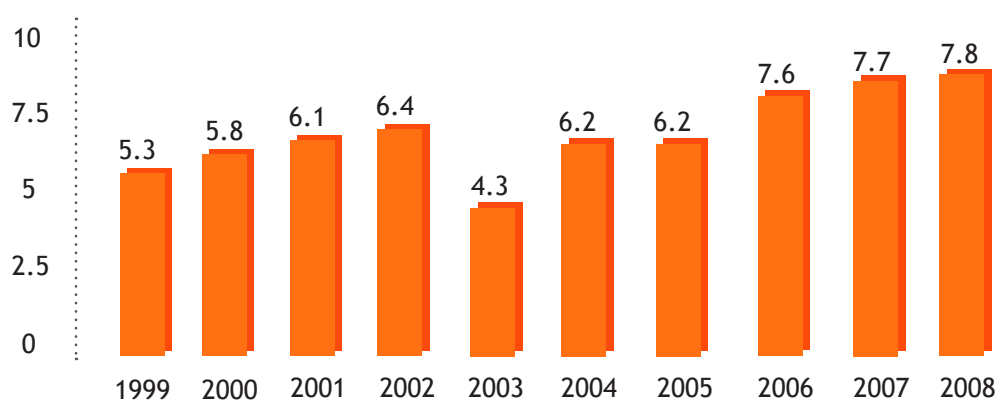


Total: S\$7.81 billion

### Total TBS Commitments by Industry (S\$billion)

Industry	2007 TBS	2008 TBS
Biomedical Manufacturing	0.5	0.1
Chemicals	1.3	1.6
Education	0.1	0.1
Electronics	1.7	0.9
Engineering & Environmental Services	0.6	0.8
General Manufacturing Industries	0.2	0.1
Healthcare Services	0.1	0.01
HQ & Professional Services	1.3	1.5
Infocomms & Media	0.6	1.3
Logistics	0.3	0.5
Precision Engineering	0.5	0.3
Transport Engineering	0.5	0.6
<b>Total</b>	<b>7.70</b>	<b>7.81</b>

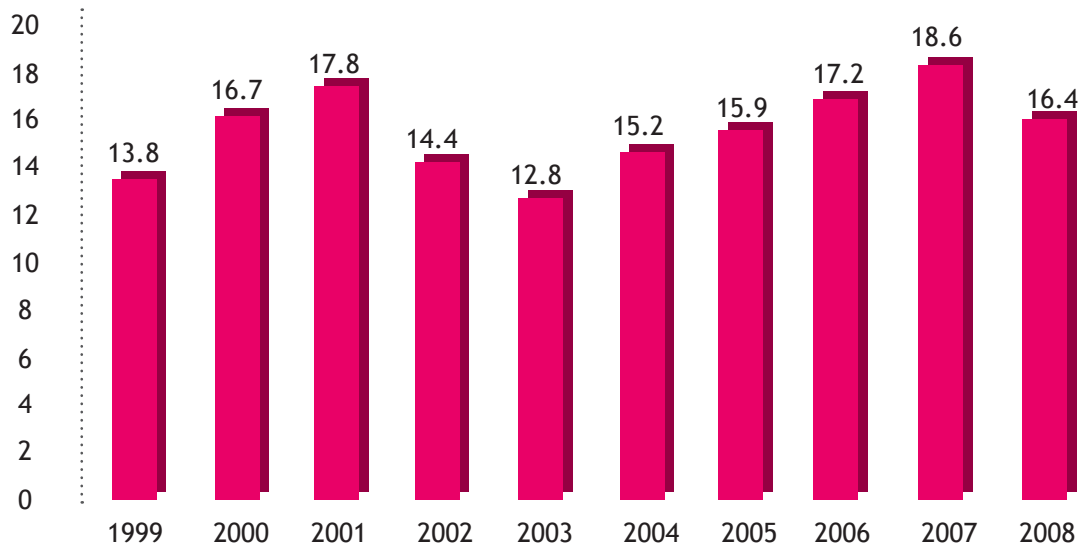
### Total TBS Commitments, 1999-2008 (S\$billion)



# Performance Indicators

## Skilled Employment

Total Skilled Employment, 1998-2008  
(‘000)



# Highlights of Projects Secured

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## Biomedical Manufacturing

### GlaxoSmithKline (GSK)

In June 2009, **GlaxoSmithKline (GSK)** celebrated its 50th anniversary in Singapore and opened a S\$600 million biologics plant. This facility is one of two global sites that produce bulk polysaccharides and conjugates. The plant opening marks the beginning of GSK's new 10-year roadmap with EDB. In line with this roadmap, GSK will set up an Academic Centre of Excellence for Discovery Research. GSK also announced a S\$30 million endowment fund to support graduate studies and research in green manufacturing and public health policy. EDB will contribute another S\$20 million to this endowment fund to develop capabilities in manufacturing technologies of the future.



## Chemicals

### 3M

**3M** is establishing a US\$200 million manufacturing facility here to produce specialty films used in a wide range of applications including solar, architecture and electronics. This facility, which will employ 250 workers, is the company's most advanced coating facility outside US and will help 3M to better serve the Asia market. 3M envisions to grow Singapore into a SuperHub - one that not only manufactures products, but also conducts active R&D to deliver new product innovations.





## Consumer

### Unilever

One of the world's leading consumer goods companies - has expanded its regional headquarters in Singapore to oversee the Asian, African, Central and Eastern European region, which generates one-third of **Unilever's** global revenues. This has resulted in the co-location of Unilever's key regional decision makers, from Marketing, Supply Chain, Finance and Customer Development in Singapore. A total of around 800 employees will be working out of Unilever's Singapore office, and in addition, over 100 jobs will be generated amongst Unilever's advertising agencies and business partners.



## Electronics

### Soitec

The opening of **Soitec's** new manufacturing facility in November 2008 marked a "first" for both Soitec and Singapore. This new facility is Soitec's first overseas manufacturing operation. It is also Singapore's first silicon-on-insulator (SOI) wafer fabrication plant. Soitec's S\$ 700 million investment in Singapore is expected to produce one million 300mm SOI wafers every year, employing 500 staff when it is fully operational.



# Highlights of Projects Secured



## Electronics

### Renewable Energy Corporation (REC)

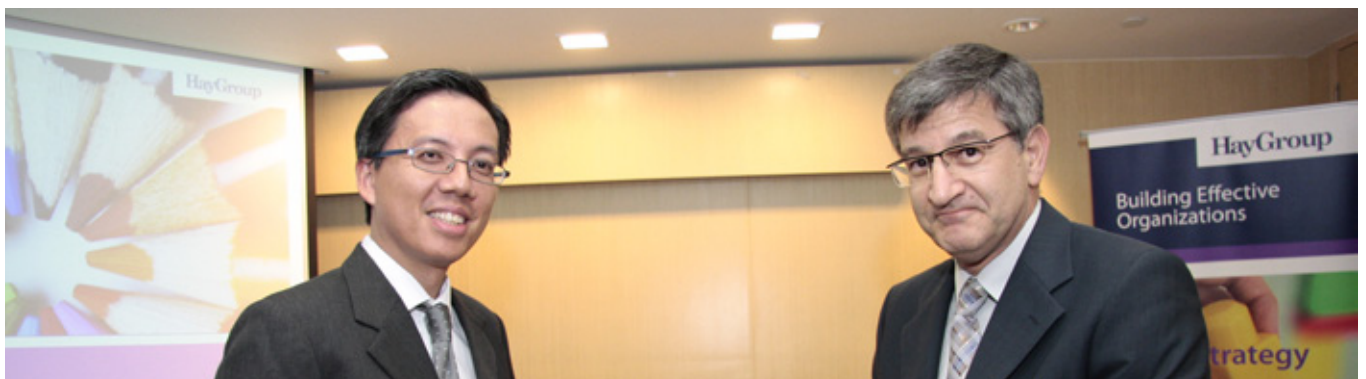
World leader in solar technology, **Renewable Energy Corporation (REC)**, broke ground for its integrated solar manufacturing complex in Singapore. REC is investing some S\$3 billion and employing about 1,300 people for the project's first phase. Slated to be the largest in the world, the complex has the capacity to produce up to 1.5 GW of solar products in Singapore for global markets.



## HQ & Professional Services

### Hay Group

**Hay Group** - the global management consultancy has set up its global R&D centre under its Building Effective Organizations practice umbrella in Singapore. The company expects to invest USD10 million over 5 years into this centre to provide a research-driven platform for businesses to fine-tune their strategy execution through end-to-end business management processes.

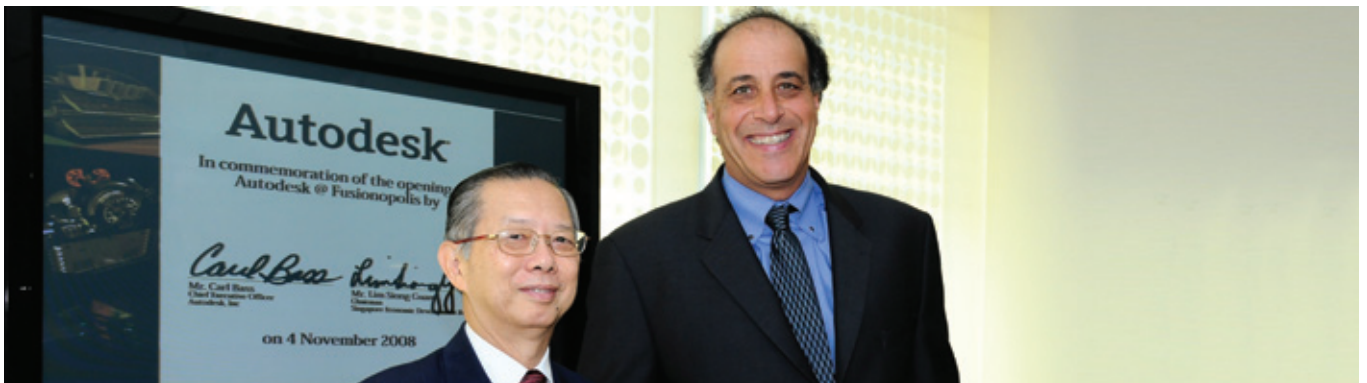




## Infocomms & Media

### Autodesk

Autodesk - the world leader in 2D and 3D design software - has established a new R&D facility at Fusionopolis in Singapore. Home to more than 100 product engineers and developers, the facility undertakes core product development for a range of products including the company's flagship AutoCAD software.



## Logistics

### TNT

TNT - the leading provider of integrated express and freight services has opened its vastly re-modelled and expanded Regional Hub located at Changi Airfreight Centre. The S\$20 million, 7000 square metres Hub is Singapore's first fully integrated air and road hub, and will significantly increase the volume of time-sensitive freight into and through Singapore of up to 350 tons of cargo a day.



# Highlights of Projects Secured



## Precision Engineering

### Applied Materials

Singapore seeks to be a centre of precision engineering excellence and a leading global hub for complex equipment manufacturing. **Applied Materials'** Singapore Operations Centre will serve as a key manufacturing and consolidation centre for the company. In this environmentally friendly facility, Applied Materials will produce equipment that will be used to make some of the world's most advanced microchips. This project will also engage many Singapore-based suppliers to develop their capabilities in complex equipment manufacturing.



## Transport

### Goodrich Corporation

**Goodrich Corporation** opened its 530,000-square-foot aircraft component and systems maintenance and repair campus in Singapore. The campus brings together several Goodrich service businesses under one roof and represents Goodrich's largest Maintenance Repair and Overhaul (MRO) campus worldwide. In addition to MRO services, the campus will also perform original equipment manufacturing as well as research and development activities.



