

The vital role that SBF plays

Chairman Lim Ming Yan explains how the chamber helps to create an environment for businesses to thrive. BY FELDA CHAY

THERE are growth opportunities to seize even as challenges abound for Singapore businesses, which have borne the brunt of the Covid-19 pandemic and now face issues such as rising business costs and a manpower crunch.

This is the mindset that Lim Ming Yan, chairman of the Singapore Business Federation (SBF), hopes companies here will embrace. "Looking forward, there are still many challenges, but there are also a lot of opportunities," says Mr Lim.

And SBF, which celebrates its 20th anniversary this year, will continue to do its utmost to help the local business community navigate challenges to reach new heights.

Mr Lim sees 2 new opportunities for businesses here to grow by embracing new technologies and digitalisation, and sustainability.

Many companies jumped on the digitalisation bandwagon during the Covid-19 pandemic as remote working became the norm.

For several retailers and food and beverage (F&B) operators, it was key to business survival as online platforms became their main sales channels. They should not stop there, according to Mr Lim. "They should make use of this momentum and continue to push for their operations to be fully digitalised and be a lot more efficient in their operations."

"We are quite glad to see that during Covid, quite a lot of companies were able to very quickly switch to remote working mode. That is a blessing. Imagine if this happened 10 years earlier. I think companies would be caught, they won't be able to work, and many would have to shut down. But because we were all able to switch to

remote working, we continued to be able to operate at high efficiency."

SBF has been making a huge push to encourage digitalisation. Among initiatives it has spearheaded on this front is MAP - a 3-stage drive which focuses on helping firms rethink their business models and transform their operations.

Partners that are working with SBF to help firms along their MAP journey include DesignSingapore Council, GIC, Infocomm Media Development Authority, Institute for Human Resource Professionals, Institute of Technical Education, Korn Ferry, Republic Polytechnic, and Singapore Polytechnic.

Through MAP, companies have been able to identify new overseas business opportunities even during the Covid-19 pandemic, while others have sought to digitalise by leveraging data and analytics into their decision-making process when it comes to setting prices for products. Others were able to enhance their online and offline customer journeys to better serve customers' needs.

New way of doing business

On sustainability, some may see it as a burden to adopt such practices. But one can also see it as an opportunity, notes Mr Lim. This is especially given the growing global focus and prominence on environmental, social, and governance (ESG) issues. "You can see sustainability as an obligation, as a burden, for businesses, but you can also see sustainability as a new way of doing business. I think this trend has reached a point where it is very hard for it to reverse, so companies will have to look at it, embrace it and make use of it."



SBF chairman Lim Ming Yan sees 2 new opportunities for businesses here to grow: by embracing new technologies and digitalisation, and sustainability. PHOTO: SBF

Some businesses are aware that their customers are seeking sustainable options. "So if they don't do it, they will be out," adds Mr Lim.

Take, for example, the building and furniture industry in Singapore. Seeing the ESG wave as a potential growth opportunity, the Singapore Furniture Industries Council and the Singapore Green Building Council came together with the SBF to form the Alliance for Action (AIA) on Sustainable Spaces - which seeks to create and enhance sustainable spaces.

An area of focus is formaldehyde - a colourless, strong-smelling, flammable chemical that is produced industrially and commonly used in furniture and building materials. Heightened exposure to formaldehyde can cause breathing problems or irritation of the eyes, nose, throat or skin. Studies of workers exposed to high levels of formaldehyde, such as industrial workers and embalmers, have also found that formaldehyde causes myeloid leukaemia and rare

cancers, including cancers of the paranasal sinuses, nasal cavity, and nasopharynx.

The AIA on Sustainable Spaces has therefore been working together with members of the furniture industry in Singapore to implement standards limiting the use of formaldehyde in their products, which in turn presents a new business opportunity for the industry as increasingly, consumers in countries such as China are rejecting the use of high amounts of formaldehyde in building materials and furniture.

Opportunities aside, Mr Lim recognises that businesses here are grappling with numerous challenges, key being rising costs, and manpower - a critical challenge for industries such as retail. Last month, SBF published a 32-page manpower policy paper calling for, among other things, a more nuanced approach in classifying business services in the wide-ranging services sector, to allow for more differentiation in foreign manpower

policy. It noted that there are diverse industries falling under the sector currently that range from professional services to retail and wholesale trade, and hotels and food services, yet all are subject to the same work permit requirements, such as source countries, maximum period of employment, the dependency ratio ceiling or quota, and the corresponding levy rate. "This does not reflect labour market dynamics such as the nature of work, education level, job demand and resident labour force supply across the significantly different services industries," says SBF.

Mr Lim notes that it will take time for the government to study the recommendations and make the necessary adjustments. "We also understand that from the government's perspective there are certain considerations. They have to balance all the different segments within society, while from the business angle, they do encounter problems."

Herein lies the importance of building trust among all the key stakeholders, namely the businesses, the trade associations and chambers, the unions and the government, to ensure that win-win outcomes can potentially be achieved.

Mr Lim believes that SBF has succeeded on this front. "The relationship has reached a stage where a lot of trust has been built up between SBF and all the stakeholders. That is crucial because you need trust...

for businesses to tell you their issues and problems. If there is no trust, there is no way they will tell you because they want to look good from a business point of view to build confidence, therefore they may not want to tell people their is-

sues and problems."

Within the government, Mr Lim believes that there is an understanding that SBF undertakes a role to create an environment for businesses to thrive. "When businesses thrive, they create good jobs for Singaporeans... so we work quite closely with the different agencies within MTI (Ministry of Trade and Industry), MOF (Ministry of Finance) and the different ministries."

Supporting local firms

Over the years, SBF has sought to help Singapore companies grow by focusing on 3 areas: by acting as a bridge connecting the business community, trade associations and the government to allow for a better understanding of business concerns and government policies among the stakeholders; by supporting businesses in their growth journey through internationalisation, business transformation and enhancing jobs and skills; and by forging collaborations among diverse stakeholders to increase the competitiveness of Singapore businesses.

Moving forward, Mr Lim believes that SBF will continue to play a key role as a facilitator and bridge the gap between policymakers and Singapore businesses, in order to create a thriving business environment.

"Without SBF, it will be very hard for the government to reach out to all the businesses," he says, noting that individual companies too, may find it hard to raise issues pertaining to policymaking. "But collectively as a business community, it is okay to raise some of these issues because it becomes less about doing something for individual companies, and more about doing something for the entire business community to thrive."

"When the business community thrives, we can provide better jobs, and when we can provide better jobs, society is better off, the country is better off."

"And SBF, as a third party, can provide that perspective."

To the Singapore Business Federation

Congratulations!

on Two Decades of Achievement

ASIA RESOURCE CORPORATION



Established on 1 April 2002, SBF is the apex business chamber championing the interests of the Singapore business community in the areas of trade, investment and industrial relations both locally and overseas. With more than 27,000 member companies, our membership comprises key local and foreign trade associations and business chambers.

SBF serves **3 key roles** that are essential for business improvement and expansion:



1 Bridge
We connect the business community, trade associations and the Government, to promote a better understanding of business concerns and government policies so as to uplift our businesses.

2 Facilitator
We support businesses in their growth journey through internationalisation, business transformation and in enhancing jobs and skills.

3 Enabler
We deepen collaborations within the business ecosystem across value chains, and among diverse stakeholders to increase the competitiveness of our businesses and drive win-win outcomes.

To all our **members and partners** who have given us your **utmost support** over the past **20 years...**

thank you



SBF's 20th Anniversary Silver Package Sponsors:



SBF's 20-YEAR MILESTONES

- 2001**
SBF Act established by Ministry of Trade and Industry in Parliament
- 2002**
Official launch of SBF by then Prime Minister Goh Chok Tong
- 2002**
Guest of Honour Prime Minister Goh Chok Tong
- 2004**
Launched inaugural BizQ Newsletter
- 2004**
Launched Malaysia-Singapore Business Council
- 2005**
Supported World Economic Forum Asia Roundtable with EDB
- 2005**
Launched inaugural National Business Survey (NBS)
- 2007**
Hosted ASEAN Business & Investment Summit & ASEAN Business Awards
- 2009**
Hosted APEC CEO Summit & APEC Business Advisory Council (ABAC) meetings in Singapore
- 2011**
Established SME Committee (SMCE)
- 2011**
Official launch of SBF Foundation (SBFF)
- 2012**
Published Position Paper on Population
- 2012**
Established SBF Business Institute (SBI)
- 2013**
Launched NTU-SBF Centre for African Studies
- 2014**
Published SBF Position Paper for Vibrant Singapore
- 2016**
Established Infrastructure Committee
- 2016**
Established Young Business Leaders Network (YBLN)
- 2017**
Established Digitalisation Committee
- 2017**
Official opening of SBF office at SBF Center
- 2018**
Repositioned as growth platform and launched TAC alliance
- 2019**
Launched Sustainable Employment Initiative
- 2019**
Launched GlobalConnect@SBF
- 2020**
Launched Industry 4.0 Human Capital Initiative (IHC)
- 2020**
Issued Joint Statement on Fair Hiring and Employment Practices
- 2021**
Launched Jobs & Skills Advisory Committee
- 2021**
Launched Singapore Women Entrepreneurs Network (SG-WEN)
- 2022**
Appointed as Jobs Development Partner by NJC
- 2022**
Organised the inaugural Singapore APEX Business Summit (SABS)

Supporting businesses over the years



“Setting up a representative office in Thailand during the Covid-19 pandemic was a challenge, but with the support of SBF and its Singapore Enterprise Centre in Thailand, we were connected to different service providers in the market which greatly facilitated this process. We also participated in SBF’s inaugural Singapore Apex Business Summit, which allowed us to increase awareness of our ALMARC brand and PTFE lined product. We look forward to working closely with SBF to navigate future challenges and to expand our business into new markets like Indonesia and Australia.”

Roy Poon, regional sales manager, ALMARC Engineering



“SBF organises a wide range of activities which have been very useful for our business needs. For example, the trade missions and business networking sessions have enabled us to link up with the right contacts in Indonesia for our business expansion into the region. We also attend the training courses and seminars such as the MAP initiative, which has helped us build valuable capabilities to tackle new challenges like digitalisation and business transformation.”

Lawrence Low, managing director, Allied eParts



“The key challenge for businesses ahead will be managing growth with a limited talent base. With the support of SBF’s Industry 4.0 Human Capital Initiative (IHCI), we were able to adopt Industry 4.0 solutions early on which has positioned our company well to embrace future challenges. The federation’s programmes have a strong foundation in digitalisation and the development of human capital and offer good guidance for companies to be more progressive and transformative, to overcome the challenges of the pandemic and establish a strong global presence.”

Graeme Dowsett, managing director, Completion Products



“We have participated in various workshops and briefings organised by SBF over the years and found them very useful. In particular, SBF’s Career Conversation Programme for Internationalisation (CCP-I) and SGUnited Jobs programmes have helped us in our manpower needs and the reskilling of our staff for expansion into the region and internationally. Likewise, the sustainability programmes have helped us understand the importance of incorporating ESG in our businesses, thus preparing us for future risks and to stay competitive.”

Thomas Ng, founder and CEO, Genashtim Innovative



“Operational efficiency and digital transformation are pertinent challenges that we have been grappling with even before Covid-19 struck. The Industry 4.0 Human Capital Initiative (IHCI) was particularly useful as it not only provided a cost-effective way for us to leverage the expertise of McKinsey and EY to address some of these challenges, but also helped optimise our warehouse efficiency by more than 50 per cent. Most importantly, it provided a platform for our management to communicate their goals and aspirations to staff in an effective yet engaging manner.”

Lee Tong Yi, managing director, Lam Hong Group



“SBF served as a navigator and mentor as we were growing our business. As the newly minted regional distributor for Musbie and FRIGG, we reached out to GlobalConnect@SBF for their advice and expertise on overseas market expansion in Indonesia and Malaysia. SBF studied our business model carefully and proposed useful avenues to grow our distribution networks efficiently. Tapping into SBF’s networks has helped us to navigate the foreign business landscape while overcoming complex permit and logistics challenges with relative ease and assurance.”

Hazel Ye, director, Sustainable Family Trading

Congratulations

to Singapore Business Federation on your 20th Anniversary !



Poh Tiong Choon Group
48 Pandan Road, Poh Tiong Choon Logistics Hub,
Singapore 609289

Three case studies that illustrate how the SBF plays the roles of bridge, facilitator, and enabler for the business community. BY FELDA CHAY

The bridge over troubled water

WHEN the Singapore government implemented the circuit breaker in 2020 at the start of the Covid-19 pandemic, the F&B industry was thrown into disarray. While the industry recognised that it was a critical move to prevent the spread of the disease, it also meant that their business, and the livelihoods of those who depended on it, would be severely impacted.

This called for urgent adjustments in cost structures for all businesses and for the F&B industry, which involved areas such as manpower, food ingredients and rentals, recalls Andrew Kwan, president of the Restaurant Association of Singapore (RSA).

"Of the 3, food cost was the most flexible and would rise or fall proportionately to revenues; manpower costs had some flex and variability, but rentals proved to be rigid and immovable. It was a potential millstone which would

weigh down even the most buoyant of businesses," he points out. "While landlords and tenants ought to have shared a symbiotic relationship, it was not reflected in the lease agreements nor in practice."

Over time, tensions arose between landlords and tenants, with the latter feeling that landlords were abusing their power during the pandemic, refusing to lower rents or pass down rental rebates and waivers at a time when business and revenues were down.

Thankfully, these issues were quickly dealt with between landlords and tenants, and the Fair Tenancy Industry Committee (FTIC) was formed in May last year to be the custodian of the Code of Conduct for Leasing of Retail Premises (CoC). The CoC aimed to make lease negotiations between landlords and retail tenants fairer and more balanced. It also set out a process for resolving disputes af-



Andrew Kwan of RSA says: "With SBF's facilitation, the landlords and tenants were able to tackle the challenges within the retail and F&B industry as a collective." PHOTO: IMDA

ter lease agreements have been signed.

The Singapore Business Federation (SBF) played a critical role facilitating this outcome, says Mr Kwan, also a member of the FTIC. The federation helped bring and

keep the stakeholders together, facilitated the co-authorship of CoC by tenant and landlord representatives, and helped ensure the successful implementation of the CoC.

"With SBF's facilitation, the landlords and tenants were able to tackle the challenges within the retail and F&B industry as a collective. SBF has helped rebuild trust and refresh what ought to be a symbiotic relationship between landlords and tenants. SBF's neutrality allowed it to be the bridge over troubled water, to connect otherwise unaligned parties and in so doing, allowing common grounds to be found." Mr Kwan adds: "Clearly, this would not have been possible without the effective leadership of the management team at SBF. In this, the F&B industry and the wider tenants' group owe much to these under-recognised individuals, who laboured quietly behind the scenes for an existential cause, when it really mattered. I wish to put on record our deepest gratitude and appreciation."

Facilitating the expansion dream



Judy Zhang of Epitex says: "SBF provided us with valuable resources to kick-start our entry into regional markets." PHOTO: EPITEX INTERNATIONAL

AMID an uncertain economic environment brought on by the Covid-19 pandemic in early 2020, homegrown bedlinen and bedding accessories company Epitex International made a decision that many would have balked at: it decided to expand overseas into neighbouring Malaysia.

To Epitex, the downtime was an opportunity to plan for regionalisation, says Judy Zhang, director at Epitex. "As we have been expanding and establishing our brand in Singapore for the past 20 years, we felt that it was time to explore beyond Singapore to fuel our business growth," she explains.

Even for a firm with such a long operating history such as Epitex, which was founded in 1997, venturing overseas proved to be challenging. Ms Zhang notes: "As an SME (small and medium-sized enterprise), we did not have adequate knowledge about regional markets and also lacked talent with the experience in regional markets. We didn't have any local connections and contacts in the regional markets, which proved to be daunting for market entry. In addition, with limited financial resources, there was no room for any mistakes in the implementation of our market entry strategy."

This prompted the firm to reach out to SBF, which it knew had local representative offices in the region and hence possessed strong local connections that would facilitate the setting up of business.

"SBF provided us with valuable resources to kick-start our entry into regional markets. It introduced us to local corporate secretary services, audit companies and relevant consultants to facilitate the setting up of our local office, and provided valuable insights that

help guide our formulation of market entry strategies," says Ms Zhang.

Today, Epitex has placed in Malaysia its e-commerce team and its logistics system that support its online presence. It is also in the process of putting together a retail team for the opening of retail stores in Kuala Lumpur.

The firm has plans to venture into other regional markets such as Vietnam, Thailand, and the Philippines, and is in the process of diversifying its supply chain network to build resilience against possible disruptions. It is also working on supply chain sustainability "to achieve greater environmental stewardship and social responsibility", according to Ms Zhang.

She adds: "Epitex will continue to tap SBF for assistance because it is earnest in supporting SMEs' growth. The SBF representatives are able to understand SMEs' challenges and collectively assist SMEs to lay a robust foundation in regional markets for business initiation."

Enabling the green economy

SUSTAINABILITY may be viewed as a burden to some, but thanks to SBF, the furniture industry in Singapore is turning this into a growth opportunity. Together with the Singapore Green Building Council (SGBC) and the Singapore Furniture Industries Council (SFIC), SBF set up an alliance that focuses on the supply and adoption of low emitting materials and furnishings in indoor spaces.

Called the Alliance for Action on Sustainable Spaces (AFA), the aim is to help the industry seize opportunities in the green economy. A key area of focus for the AFA currently is the setting and implementation of a benchmark to reduce the use of formaldehyde in furniture-making and building products.

Says Tang Kok Thye, president

of the SGBC: "SGBC strives to promote Singapore as a sustainable hub by promoting green building products and practices via public outreach and industry promotion efforts. It is also a dedicated certification body for green building solution and products."

"Through the AFA, SBF was able to bring together more like-minded industry stakeholders, such as SFIC, government agencies and companies from different sectors, to collectively promote and advance some of SGBC's existing agenda/key work streams, particularly pertaining to reducing formaldehyde emissions indoors and ensuring building occupants' health and well being."

"This is a key opportunity area in Singapore's journey towards a

green economy, and more can be done to raise awareness of the significance of indoor air quality on occupant health and well being."

SBF, he notes, played a key role by leveraging SGBC's expertise and experience in green building product certification through the Singapore Green Building Product (SGBP) certification scheme to finetune the AFA's messaging and core narrative, helping to guide industry stakeholders towards healthier built environment outcomes.

Both SGBC and SBF also worked closely to outline the key deliverables of the AFA, collaborating to establish the Low Formaldehyde Commitment Statement which saw 75 pledge organisations committing to practices that will reduce the use of formaldehyde in their



Tang Kok Thye of SGBC says: "By paying attention to the materials and designs of our spaces, we will be able to build healthier, ... and environmentally friendly spaces for occupants." PHOTO: ADOP

products. "By paying attention to the materials and designs of our spaces, we will be able to build healthier, more equitable and environmentally friendly spaces for occupants," adds Tang.

www.summitpowerinternational.com

25 YEARS

OF EXCELLENCE

Headquartered in Singapore, **Summit** is a symbol of Bangladesh's success and growth story, built on the foundation of private sector-led power generation and infrastructure.

Consistently delivering high performance, quality and reliability, Summit has provided 25 years of uninterrupted power generation, an unparalleled achievement in the industry.

We are proud to continue serving you with the highest standards.

S U M M I T

f summitpowerintl
t summitpowerintl
in Summit Power International
Summit Power International

Wilmar International Limited,

founded in 1991 and headquartered in Singapore, is today Asia's leading agribusiness group.

At the core of Wilmar's strategy is an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from cultivation and milling of palm oil and sugarcane, to processing, branding and distribution of a wide range of edible food products in consumer, medium and bulk packaging, animal feeds and industrial agri-products such as oleochemicals and biodiesel. It has over 500 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries and regions. Through scale, integration and the logistical advantages of its business model, Wilmar is able to extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies.

Supported by a multinational workforce of about 100,000 people, Wilmar embraces sustainability in its global operations, supply chain and communities. Wilmar is included in the Dow Jones Sustainability Indices World Index, Dow Jones Sustainability Asia Pacific Index, FTSE4Good Developed Index and the FTSE4Good ASEAN 5 Index.

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CDA

Wilmar International Limited
www.wilmar-international.com