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Singapore EDB aims to strengthen economic competitiveness by attractingÃ?Â investment

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Commitments for Fixed Asset Investment, Total Business Expenditure per annum and Job Creation expected to create 20,045 jobs over the next 5 years



Singapore EDB aims to strengthen Singapore’s competitiveness amidst a rapidly changing external environment, build new growth areas, anchor innovation, and catalyse collaboration between multinational corporations (MNCs) and our local business and research ecosystem. The Singapore Economic Development Board (EDB), a government agency under the Ministry of Trade and Industry, is responsible for strategies that enhance Singapore’s position as a global centre for business, innovation, and talent.

In 2023, the Singapore Economic Development Board (EDB) attracted investment commitments amounting to S$12.7 billion in Fixed Asset Investment (FAI) and S$8.9 billion in Total Business Expenditure per annum (TBE). These commitments, when realised, are expected to create 20,045 jobs with a projected contribution of S$26.7 billion in Value-Added per annum (VA).

The investment commitments secured were above EDB's medium-to-long-term goals. Against the backdrop of a challenging global operating environment that impacted business and investor sentiment, the flow of investment commitments demonstrate confidence in Singapore as a trusted hub for business, innovation and talent, and a gateway to a growing Asian region.

Re-caping 2023 milestones:

After an exceptional spike in semiconductor investments in 2022, FAI commitments moderated to S$12.7 billion this year, in line with past trends. Global manufacturers in chemicals, electronics, healthcare and aerospace continued to invest in Singapore to strengthen their supply chain resilience to serve customers worldwide and across Asia.

TBE commitments, job creation and expected value-added to the economy were higher than in 2022, due to an increase in the number of investment projects. Headquarters (HQ) and Professional Services projects accounted for close to 70% of the S$8.9 billion in TBE per annum, reflecting Singapore’s role as services hub for the region. More global businesses are using

Singapore as a base to tap into Asia's growth, while Asian companies are leveraging Singapore's vibrant business ecosystem to expand beyond their home turf. Information and Communications Technology companies were large contributors to HQ projects, reflecting the rise of Southeast Asia's digital economy and pervasive digitalisation across all industries.

Investment commitments related to Research & Development (R&D) and Innovation activities also increased over the previous year, as MNCs continue to deepen their innovation footprint in Singapore and more foreign start-ups base themselves here. MNCs have been expanding their partnerships with the local Research, Innovation and Enterprise (RIE) ecosystem to develop products from Singapore. Since 2021, EDB's Corporate Venture Launchpad (CVL) programme has also helped 25 large companies nurture new venture concepts in Singapore. Fifteen of these companies have plans to launch or have launched new ventures in areas such as Artificial Intelligence (AI), data services, climate technology and agricultural technology.

Of the 20,045 jobs expected to be created when projects are fully implemented, 58% are in Services, 26% are in R&D and Innovation, and the remaining 16% are in Manufacturing.

- Jobs in Services are anchored by HQs and shaped by business priorities around environmental sustainability, procurement and supply chain resilience, digital transformation and automation. Job roles include Sales/Business Development Managers, Finance Executives, Supply Chain Executives, Carbon Specialists (Engineer/Scientist) and Regulatory Managers.
- Jobs in R&D/Innovation encompass not only cutting-edge technology but also product development and commercialisation. Job roles include Product Specialists, Software Engineers, Data Platform Engineers, AI/Machine Learning Researchers and Bioinformatics Scientists.
- Jobs in Manufacturing are varied and reflect the fact that Singapore is a highly automated, advanced manufacturing location. Job roles include Test Engineers, Process Technicians, Control Systems Engineers, Laser/Optics Systems Engineers and Network Specialists

2024 Investment Commitments, Goals and Priorities

EDB will maintain the following investment commitment goals for the medium-to-long term:

" Fixed Asset Investment: S$12.7billion (Medium- to Long-term Goals 8.0 – 10.0)

Total Business Expenditure per annum: S$8.9 billion (Medium- to Long-term Goals 5.0 – 7.0)

Job Creation: 20,045 (Medium- to Long-term Goals 16,000 – 18,000)"

**Investment commitments will take place over the next 5 years*

The business and investment outlook for 2024 remains challenging, due to ongoing geopolitical tensions, policy uncertainty created by electoral contests in many jurisdictions, increased competition for investments and macroeconomic uncertainty. EDB will sharpen our economic competitiveness as a critical global node for advanced manufacturing and a services hub for Southeast Asia, by focusing on the following areas:

- Transforming existing sectors. EDB will work with large corporates to take advantage of opportunities like AI and digitalisation to increase productivity, as well as leverage our RIE ecosystem. EDB will continue to transition our base of industrial activities, including in the Energy and Chemicals sector, to a low-carbon future by unlocking opportunities in sustainable products and solutions, test-bedding new climate technologies, and creating new ventures around green and sustainable solutions.

- Strengthening Singapore's position in the global value chain. EDB will boost Singapore's connectivity, logistics and supply management capabilities and continue to ensure that companies are able to establish their operations here quickly and smoothly.

- Building new growth areas and anchoring innovation. EDB will work with Enterprise Singapore (EnterpriseSG) and other government agencies to target potential new engines of growth, such as the green economy, AI and precision medicine.

- Developing local talent. EDB will continue working with companies to train or reskill Singaporeans so they can seize job opportunities in growth sectors, while building a stronger Singaporean leadership pipeline.

- Strengthening the competitiveness of our local ecosystem. EDB is working with government agencies to secure access to renewable energy. Together with EnterpriseSG, we will nurture more collaborations between MNCs and our Singapore businesses (large local enterprises, small and medium-sized enterprises [SMEs] and startups) and research institutions.

“EDB secured investment commitments in 2023 that will bring in new capabilities, strengthen our economic resilience, and create good job and business opportunities for Singapore,” said Mr Png Cheong Boon, Chairman, EDB. “While we have built a good pipeline of projects for the future, we are cognisant of needing to stay ahead of the competition so that Singapore remains attractive to both global and Asian corporates and start-ups. Beyond doubling down on what has worked well for us, EDB will forge ahead with refreshed strategies to strengthen Singapore’s competitiveness, allowing us to seize new opportunities to grow the economy, uplift our local ecosystem and create better jobs for our people.”