National Infrastructure Connectivity Singapore

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Last 50 years: Singapore’s airport and seaport have grown to be amongst the world’s leading transport hubs and are important enablers for regional trade.

Singapore has done well for the past 50 years...

“We started off with no hinterland and a weak economy. We depended on our entrepot trade, but our neighbours were building their own ports and sought to bypass us. Our workers were unskilled and anxious about their future but we are determined to make the world our hinterland. And with that workforce, we made PSA and Changi, the best in the world.”

Lee Hsien Loong, Prime Minister of Singapore
Transformation of our airport and seaport

Kallang Airport
1937–1955

Paya Lebar Airport
1955–1980

Changi Airport
1981–Present

Seletar Airport
1928–Present

A Singapore dock in the 1990s

Port of Singapore today
Our transport hubs play a significant role in the economic development of Singapore

- **Airport**
  - Direct value-add from Changi Airport
  - Indirect value-add
  - Induced value-add
  - Catalytic impact of value-add through tourism, productivity, trade and investment
  - Employs about 55,000 people
  - Employs about 55.4mil passenger in 2015

- **Seaport**
  - Contributes to 7% of Singapore's GDP
  - Employs more than 170,000 people
  - 30.9mil TEUs of containers handled
  - More than 5,000 maritime establishments

**Singapore Ranked 1ST in McKinsey Global Institute Connectedness Index**

MGI Connectedness Index, published in 2016
Getting ahead of the game: Major development plans to take Singapore’s aviation and maritime capabilities to greater heights

The new infrastructure will more than double our capacity

3-runway system will be operational from early 2020s

Port expansion projects including construction of the Tuas facility will cost a few billion dollars
Key lessons from Singapore’s experience in infrastructure connectivity over the last 50 years

**Capacity Building**
- Physical - Developing capacity for our airport and seaport in anticipation of future trends and growth to facilitate trade and investments
- Talent – Investing in education, developing specialised and sectoral skilled talents

**Progressive policies**
- Concerted efforts between private and public sectors in enabling pro-enterprise policies formulation

**Pro-business partnerships**
- Form strategic, mutually beneficial partnerships e.g. with key trading partners through FTAs to facilitate trade, lowering trade barriers
"As SG50 ends, the next chapter of the Singapore Story begins. We live in a very different world from our pioneers fifty years ago. Yes, we have many more opportunities in the globalised world, but we also face fiercer competition. Yes, we have more resources, but we also have higher aspirations. Our economy is slowing down and undergoing transition. We cannot expect an easy journey ahead."

Lee Hsien Loong,
Prime Minister of Singapore
Emergence and Development of New Economic Trade Corridors

**Trans Pacific Partnership (TPP)**

The TPP is a trade agreement between 12 countries, including the US, Mexico and Australia, which aims to promote jobs and growth, enhance productivity and competitiveness, and boost economic growth in the United States and across the Asia-Pacific region.

**ASEAN Economic Community (AEC)**

AEC is a major milestone in the regional economic integration agenda in ASEAN, offering opportunities in the form of a huge market of US$2.6 trillion and over 622 million people. AEC is collectively the third largest economy in Asia and the seventh largest in the world.

**One Belt One Road (OBOR)**

China’s “One Belt, One Road” (OBOR) aims to connect major Eurasian economies through infrastructure, trade and investment.

Singapore evolving to stay ahead with the changing geometry of global trade flows
Given the backdrop, what should Singapore do...

• **Expanding beyond capacity building**
  • Building the eco-system and supporting industries
  • e.g. aerotropolis

• **Looking beyond physical connectivity**
  • Information & IT
  • Finance & Capital

• **Forging Stronger Partnerships**
Evolving from airport to aerotropolis

- Hotels/Convention Centres (MICE)
- Retail/Outlet Malls
- Integrated Entertainment Centre
- Residential developments
- MRO
- Logistics Parks & FTZs
- Specialised Infrastructure (Coolport)
- Industrial/Business Parks
- Cargo flows

Logistics Parks & FTZs

Specialised Infrastructure (Coolport)

Integrated Entertainment Centre

Residential developments

MRO

Retail/Outlet Malls

Hotels/Convention Centres (MICE)

Cargo flows
Stronger Partnerships to capture opportunities in connectivity

**Government to Government**
Working with the region and ASEAN as a platform to enhance connectivity and trade

**Government to Business**
Encouraging Public-Private Partnerships

**Business to Business**
Facilitating strategic partnerships between companies to build flows
To recap

Last 50 years ...

Singapore’s airport and seaport have grown to be amongst world’s leading transport hubs and are important enablers for global trade.

We have built capacity, developed progressive policies and formed pro-business partnerships.

Next 50 years ...

Singapore "cannot just bulldoze and build" as it embarks on its next 50 years. Singapore has built a brand on its success and trust and we should build on this for Singapore to continue being successful.

Singapore will continue to look beyond capacity building, beyond physical connectivity and form strategic partnerships to remain relevant and globally connected.