# Annual Report 2014/15_

# Content

Singapore's independence came at a turbulent time. The country's fate was uncertain and unemployment levels were high. But as we reflect on the past fifty years, there is much to celebrate. Singapore's real gross domestic product (GDP) has grown by almost 40 times, from S$10 billion in 1965 to S$380 billion in 2014. And Singapore's GDP per capita in 2013, based on purchasing power parity, was the fourth highest in the world, putting it ahead of all the G7 economies.

**Singapore a key partner for international companies**

The development of our economy has benefitted immensely from the capital, technology and know-how that international companies introduced to Singapore. Their presence has enabled the Singaporean workforce and local businesses to plug into the global marketplace, and for Singapore to become one of the most competitive places to do business – Singapore ranked 2nd in the World Economic Forum's *Global Competitiveness Report 2014–2015* for the fourth year running. As a small country and global city, international companies will continue to play a vital role in Singapore's economic success.

**EDB's performance**

EDB achieved strong investment commitments in 2014, having met or exceeded our forecast for all indicators, and created a total of 16,100 new skilled jobs.

For 2015, EDB expects to continue with the trend of a more moderate flow of investment commitments, given our deliberate effort since 2013 to focus on attracting investments that are consistent with our stage of economic development.

We are also working closely with the base of companies in Singapore to make more productive use of their assets and resources, and also to create new businesses to drive their top-line growth. The increase in emphasis on innovation as the driver of economic growth in Singapore will enable all parties to future-proof their success.

Singapore's own needs could catalyse some of these new businesses, while other opportunities may result from partnerships between public sector research capabilities and industry players.

More importantly, with the growth of Asia's economy, there will be demand for new products, services and solutions that meet the unique market needs and preferences in this part of the world. For instance, the bulk of the global middle class growth is expected to come from Asia. According to Organisation for Economic Co-operation and Development (OECD), Asia will account for 66 per cent of the middle-class population in the world by 2030, compared to 28 per cent in 2009.

Singapore's strategic location, regional

> **Singapore's strategic location, regional connectivity and insights about the emerging Asian markets have and will enable us to play a valuable role for companies keen on tapping the region's growth**

connectivity and insights about the emerging Asian markets have and will enable us to play a valuable role for companies keen on tapping the region's growth.

**Conclusion**

I would like express my gratitude to EDB's pioneers and to the companies that took the leap of faith by investing in Singapore over the past five decades.

We look forward to building upon this wonderful legacy by holding true to our founding traditions and principles. These include the courage and imagination to dream big for Singapore, the can-do spirit and determination to make things happen, the humility to forge win-win partnerships with our investors and stakeholders, and in so doing create even greater success in the years ahead for Singapore and Singaporeans, and for all who have the trust to invest in our nation.

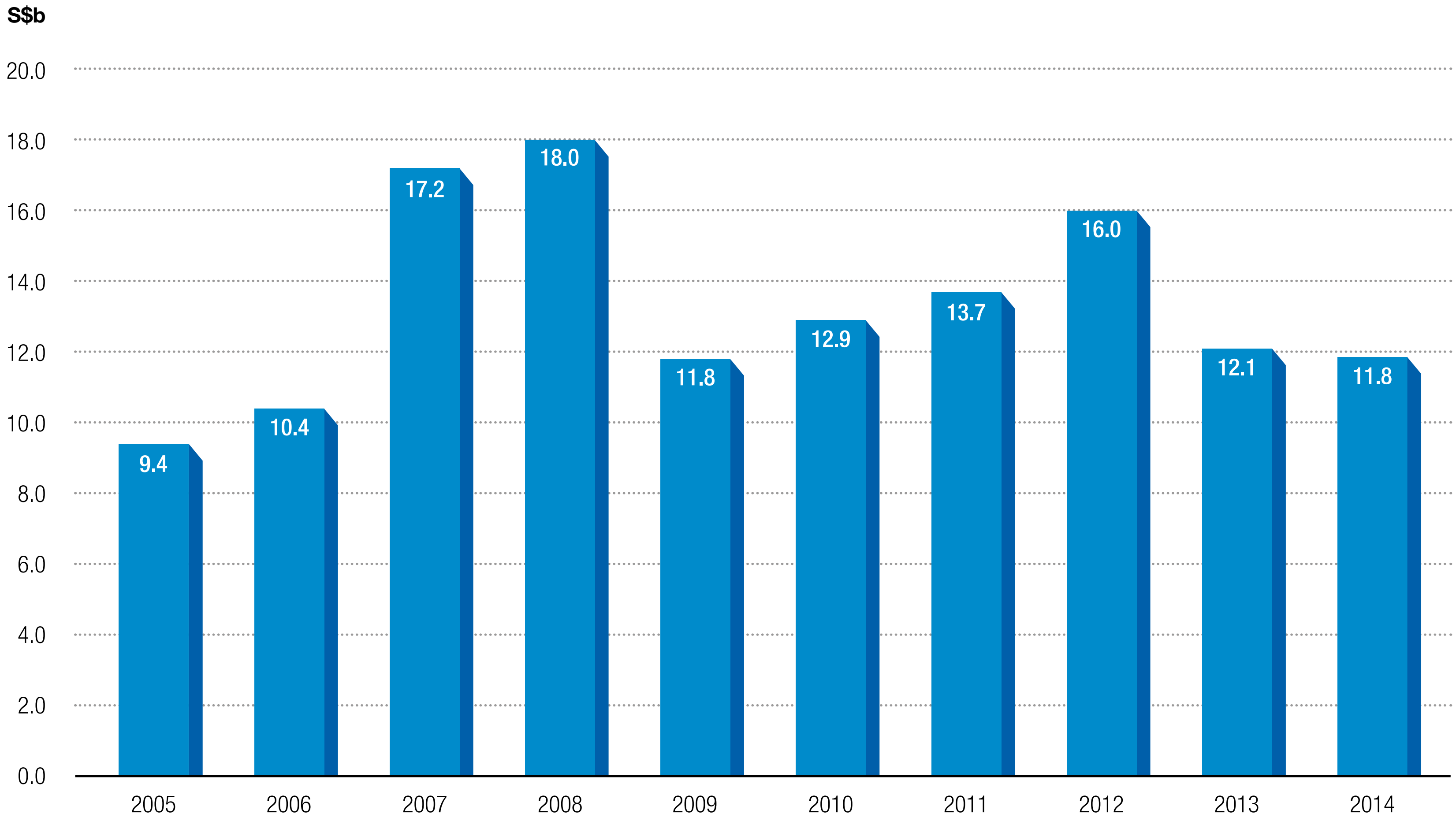
**DR BEH SWAN GIN**
Chairman
Singapore Economic Development Board

# 2014 investment commitments by industry

| Industry | FAI (S$ billion) | TBE (S$ billion) | Expected VA per annum (S$ billion) | Skilled Employment |
|---|---|---|---|---|
| Electronics | 1.6 | 0.2 | 0.7 | 572 |
| Chemicals | 2.6 | 0.4 | 0.8 | 698 |
| Biomedical Manufacturing | 0.8 | 0.4 | 0.9 | 675 |
| Precision Engineering | 0.3 | 0.3 | 0.3 | 1,201 |
| Transport Engineering | 0.8 | 0.8 | 0.4 | 1,456 |
| General Manufacturing Industries | 0.6 | 0.1 | 0.6 | 336 |
| Infocommunications & Media | 2.5 | 0.5 | 0.8 | 496 |
| Headquarters & Professional Services | 1.2 | 3.0 | 5.5 | 6,920 |
| Engineering & Environmental Services | 0.5 | 0.8 | 2.0 | 2,226 |
| Logistics | 0.6 | 0.4 | 0.4 | 1,290 |
| Education / Healthcare Services | 0.3 | 0.1 | 0.1 | 243 |
| **Total** | **11.8** | **7.0** | **12.5** | **16,113** |

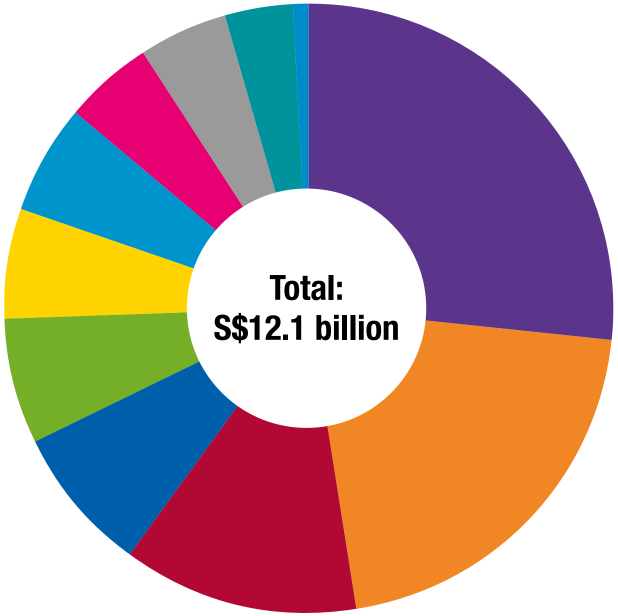
**FAI (Fixed Asset Investments)** refers to capital investment in facilities, equipment and machinery.
**TBE (Total Business Expenditure)** refers to a company's incremental operating expenditure in Singapore (excluding depreciation). The major components include wages and rental. TBE was not measured before 2005.
**VA (Value Added)** measures the direct contribution to Singapore's Gross Domestic Product (GDP) excluding multiplier effects. The major components include wages and profit.
**Skilled employment** is defined as occupations in the Professional, Manager, Executive, Technician and Skilled Production Craftsman categories.

# FAI investment commitments (2005-2014)



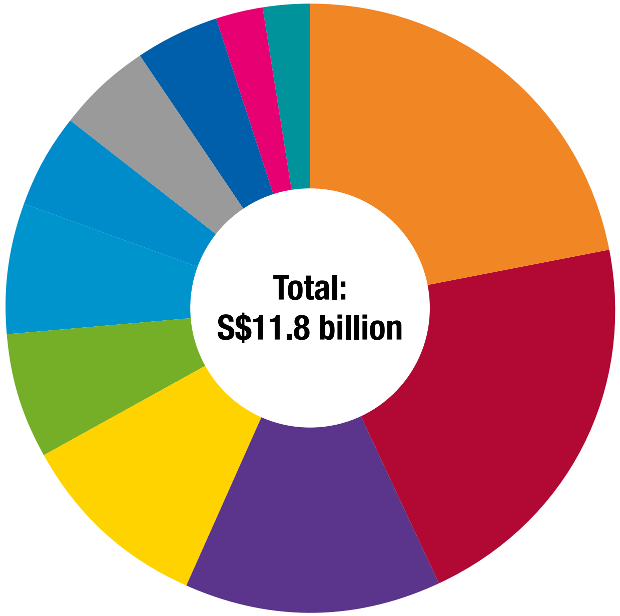
# FAI investment commitments (2013, 2014)

### By industry, 2013




| | | |
|---|---|---|
| Electronics | S$3.3b | 26.9% |
| Chemicals | S$2.5b | 20.7% |
| Infocommunications & Media | S$1.5b | 12.5% |
| Engineering & Environmental Services | S$0.9b | 7.8% |
| Biomedical Manufacturing | S$0.8b | 6.6% |
| Headquarters & Professional Services | S$0.7b | 6.0% |
| Transport Engineering | S$0.7b | 5.7% |
| Precision Engineering | S$0.6b | 4.8% |
| Logistics | S$0.6b | 4.8% |
| Education & Healthcare Services | S$0.5b | 3.4% |
| General Manufacturing Industries | S$0.1b | 0.8% |

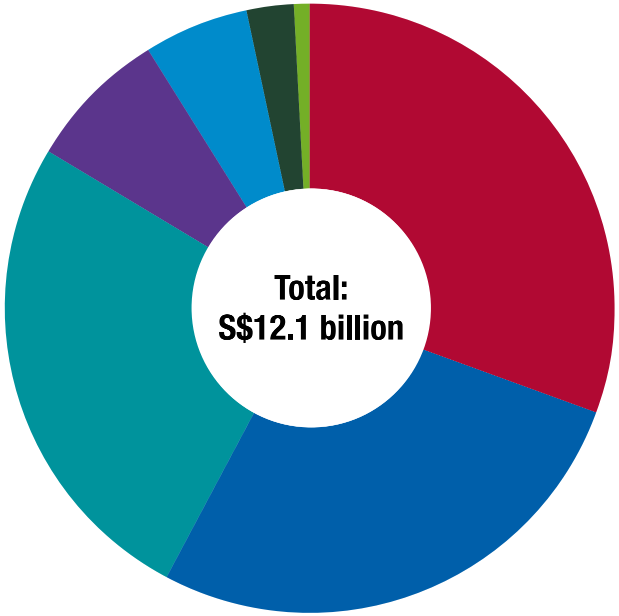
### By industry, 2014




| | | |
|---|---|---|
| Chemicals | S$2.6b | 22.0% |
| Infocommunications & Media | S$2.5b | 21.2% |
| Electronics | S$1.6b | 13.6% |
| Headquarters & Professional Services | S$1.2b | 10.2% |
| Biomedical Manufacturing | S$0.8b | 6.8% |
| Transport Engineering | S$0.8b | 6.8% |
| General Manufacturing Industries | S$0.6b | 5.1% |
| Logistics | S$0.6b | 5.1% |
| Engineering & Environmental Services | S$0.5b | 4.2% |
| Precision Engineering | S$0.3b | 2.5% |
| Education & Healthcare Services | S$0.3b | 2.5% |

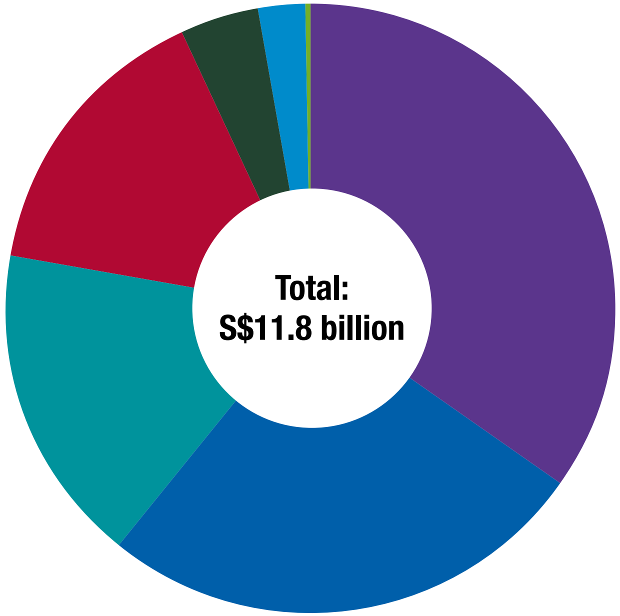
# FAI investment commitments (2013, 2014)

**By region, 2013**



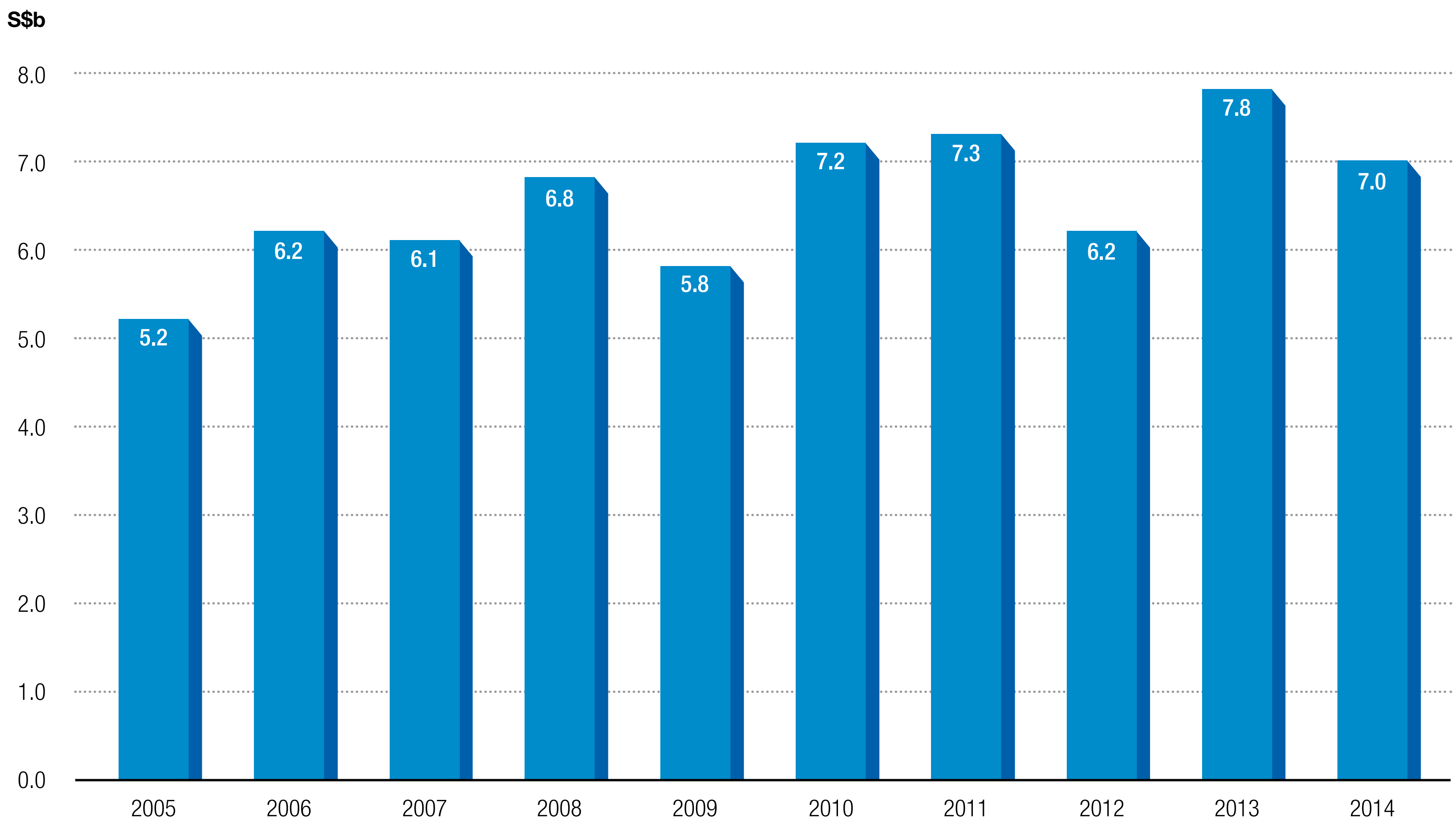

| | | |
|---|---|---|
| USA | S$3.7b | 30.7% |
| Europe | S$3.3b | 27.1% |
| Singapore | S$3.1b | 25.9% |
| Others | S$0.9b | 7.5% |
| Japan | S$0.7b | 5.5% |
| China | S$0.3b | 2.6% |
| India | S$0.1b | 0.7% |

**By region, 2014**



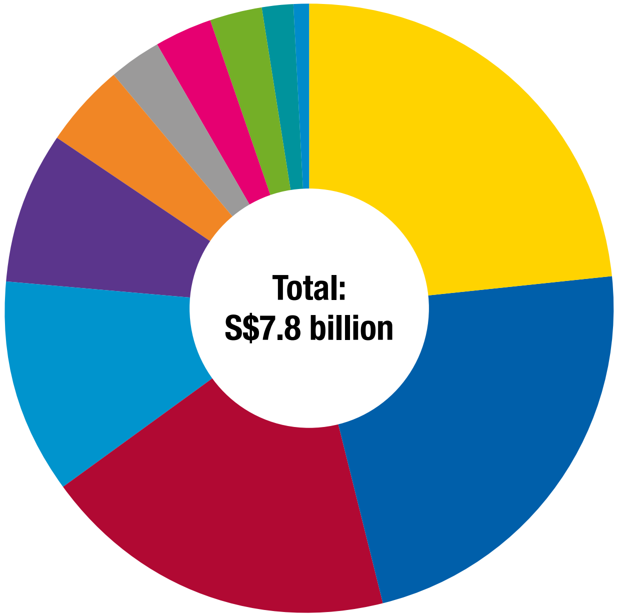

| | | |
|---|---|---|
| Others | S$4.1b | 34.8% |
| Europe | S$3.1b | 26.3% |
| Singapore | S$2.0b | 16.9% |
| USA | S$1.8b | 15.3% |
| China | S$0.5b | 4.2% |
| Japan | S$0.3b | 2.5% |
| India | S$0.01b | 0.02% |

# TBE investment commitments (2005-2014)



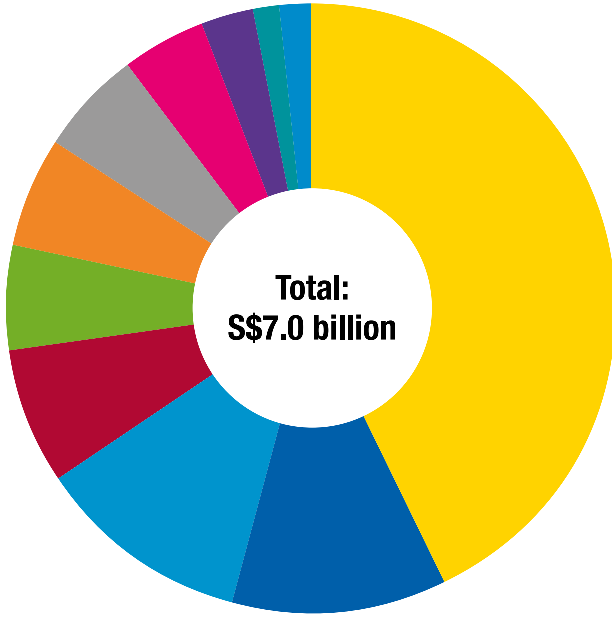
# TBE investment commitments (2013, 2014)

**By industry, 2013**




| | | |
|---|---|---|
| Headquarters & Professional Services | S$1.8b | 23.6% |
| Engineering & Environmental Services | S$1.8b | 22.6% |
| Infocommunications & Media | S$1.5b | 18.9% |
| Transport Engineering | S$0.9b | 11.5% |
| Electronics | S$0.6b | 8.1% |
| Chemicals | S$0.3b | 4.2% |
| Logistics | S$0.2b | 3.0% |
| Precision Engineering | S$0.2b | 3.0% |
| Biomedical Manufacturing | S$0.2b | 2.6% |
| Education & Healthcare Services | S$0.1b | 1.9% |
| General Manufacturing Industries | S$0.1b | 0.6% |

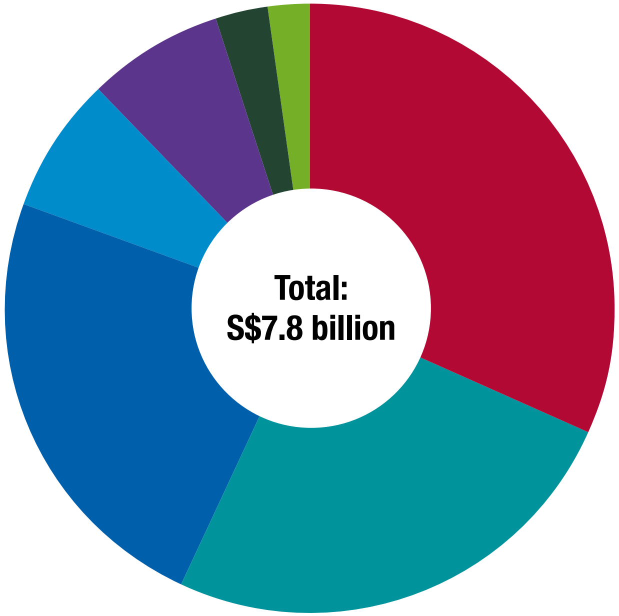
**By industry, 2014**




| | | |
|---|---|---|
| Headquarters & Professional Services | S$3.0b | 42.9% |
| Engineering & Environmental Services | S$0.8b | 11.4% |
| Transport Engineering | S$0.8b | 11.4% |
| Infocommunications & Media | S$0.5b | 7.1% |
| Biomedical Manufacturing | S$0.4b | 5.7% |
| Chemicals | S$0.4b | 5.7% |
| Logistics | S$0.4b | 5.7% |
| Precision Engineering | S$0.3b | 4.3% |
| Electronics | S$0.2b | 2.9% |
| Education & Healthcare Services | S$0.1b | 1.5% |
| General Manufacturing Industries | S$0.1b | 1.4% |

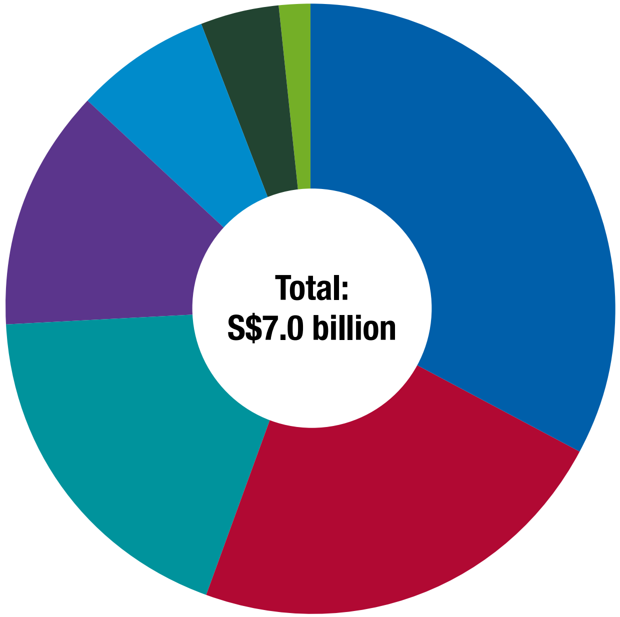
# TBE investment commitments (2013, 2014)

**By region, 2013**




| | | |
|---|---|---|
| USA | S$2.5b | 31.9% |
| Singapore | S$2.0b | 25.1% |
| Europe | S$1.8b | 23.7% |
| Japan | S$0.6b | 7.2% |
| Others | S$0.6b | 7.1% |
| China | S$0.2b | 2.9% |
| India | S$0.2b | 2.1% |

**By region, 2014**




| | | |
|---|---|---|
| Europe | S$2.3b | 32.8% |
| USA | S$1.6b | 22.9% |
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| Others | S$0.9b | 12.9% |
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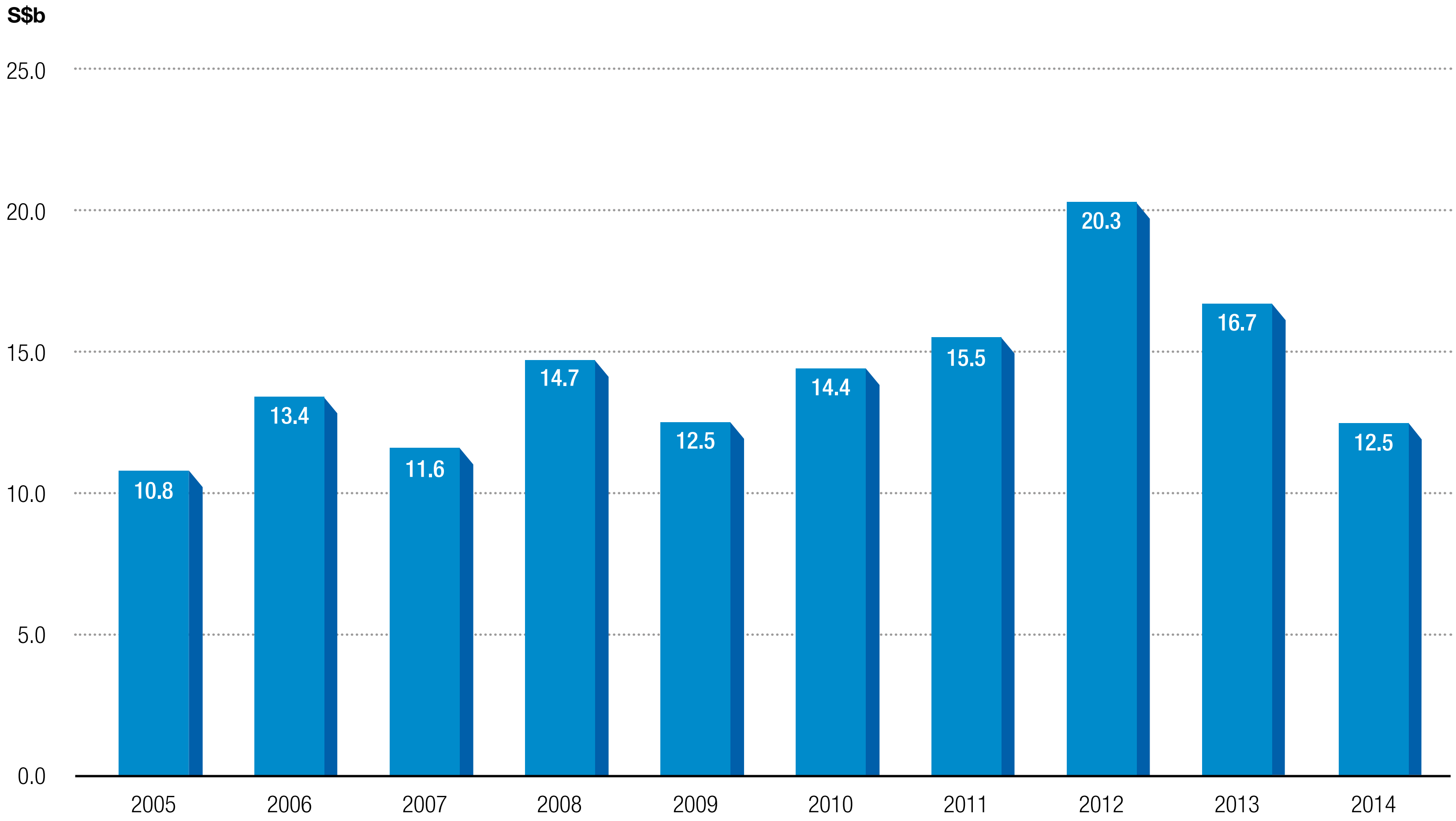
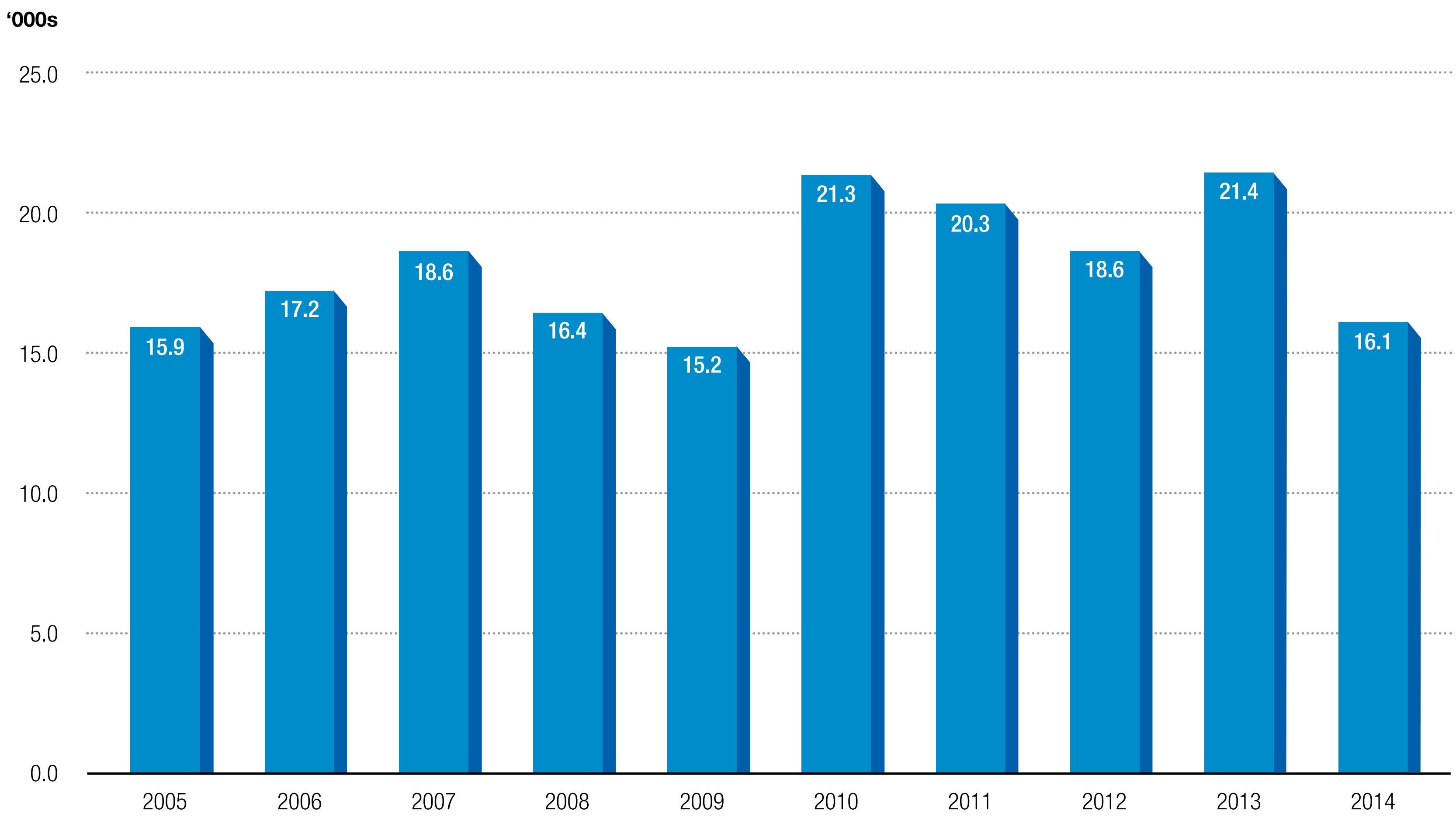
| China | S$0.3b | 4.3% |
| India | S$0.1b | 1.4% |

# VA expected to be generated (2005-2014)



# Total skilled employment created (2005-2014)



# About EDB

The Singapore Economic Development Board (EDB) is the lead government agency for planning and executing strategies to enhance Singapore's position as a global business centre. EDB dreams, designs and delivers solutions that create value for investors and companies in Singapore. Our mission is to create for Singapore sustainable economic growth with vibrant business and good job opportunities. EDB's Home strategy articulates how we are positioning Singapore for the future. It is about extending Singapore's value proposition to businesses not just to help them improve their bottom line, but also to help them grow their top line through establishing and deepening strategic activities in Singapore to drive their business, innovation and talent objectives in Asia and globally.

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