

MEDIA RELEASE

New Wholesale Trade Industry Digital Plan to Help SMEs Accelerate their Digitalisation Journey

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1. More than 33,000 small and medium enterprises (SMEs) can benefit from the new Wholesale Trade Industry Digital Plan (IDP) launched by Dr Koh Poh Koon, Senior Minister of State for Trade and Industry, during his visit to SATS BRF Food today. The IDP is part of the SMEs Go Digital Programme¹, and is jointly developed by Enterprise Singapore and the Infocomm Media Development Authority (IMDA), in consultation with industry associations, SkillsFuture Singapore, Ngee Ann Polytechnic and the National Trades Union Congress.
2. The IDP is a simple guide to help Wholesale Trade SMEs assess their digital readiness and opportunities to go digital. It is one of the strategies under the Wholesale Trade Industry Transformation Map that was rolled out by Enterprise Singapore in 2017 to help more trading companies adopt digital technology and internationalise.

A Step-by-Step Guide on Digital Adoption for Wholesale Trade SMEs

3. The Wholesale Trade industry is a major contributor to Singapore's economy, accounting for about 16% of the nation's GDP in 2017 and SMEs² making up 97% of the establishments. With more than 80% of its sales derived from overseas markets³, the sector is highly influenced by the evolving global trading environment such as the rise of digital B2B marketplaces⁴ and the use of blockchain and artificial intelligence to improve trade processes. Building up the necessary digital capabilities required to compete effectively is increasingly critical to trading companies for sustainable growth.

¹ SMEs Go Digital, launched in April 2017, is a whole-of-government programme that aims to help SMEs use digital technologies, build strong digital capabilities and participate in the Digital Economy.

² Source: Department of Statistics (2017)

³ Source: Department of Statistics (2017)

⁴ Digital B2B e-Commerce transactions are expected to reach US\$6.7 trillion by 2020. Source: Frost & Sullivan, "The Global B2B E-commerce Market will reach US\$6.7 trillion by 2020", 9 April 2015.

4. The Wholesale Trade IDP is an easy-to-use, step-by-step guide to help SMEs⁵ embark on digitalisation and keep pace with industry transformation. Larger enterprises in the industry can also refer to the IDP to support their digitalisation efforts.
5. The plan comprises a three-stage digital roadmap that charts out the different digital solutions that Wholesale Trade SMEs can adopt at each phase of their growth, as well as the relevant training programmes required to enhance employees' digital skillsets. Broadly, the three stages are:
 - (i) **Stage 1** helps SMEs to get ready for the digital economy and lists the basic digital solutions to stay competitive. Enterprise Resource Planning (ERP) solutions for sales and inventory management to streamline operations and optimise resources is one example.
 - (ii) **Stage 2** highlights digital solutions that enable SMEs to connect with the global trading ecosystem and access new markets, such as plugging into B2B e-marketplaces and online platforms for supply chain financing and procurement.
 - (iii) **Stage 3** identifies advanced digital technologies that SMEs can implement to improve their competitive edge in cross-border trading. These include using blockchain technology to enhance trade documentation processes, and artificial intelligence to predict sales trends and automate sourcing and purchasing needs.
6. Companies can consult the SME Centres and SME Digital Tech Hub for a comprehensive business diagnosis and advisory on digital solutions. For SMEs looking to adopt productivity tools such as sales and inventory management solutions, they can select from the list of pre-approved solutions identified in the digital roadmap on Tech Depot⁶. Those embarking on more advanced solutions such as developing digital B2B marketplaces or larger capability building projects, can seek assistance from Enterprise Singapore⁷. *(Refer to Annex A for more information on the Wholesale Trade IDP)*

Industry Partners Join Hands to Create Singapore's First Seafood e-Marketplace

7. Beyond digitalisation efforts at the enterprise level, industry-led partnerships are important in driving relevant ground-up initiatives to make a difference to businesses and stakeholders within wholesale trade. On the sidelines of the company visit, three seafood associations - the Punggol Fish Merchants Association, Seafood Industries Association Singapore, Singapore Fish Merchants' General

⁵ Common challenges facing SMEs when incorporating digital technologies include the lack of information on the right solutions to adopt, and the upfront cost required.

⁶ Tech Depot is a one-stop, centralised platform to help improve SMEs' access to technology and digital solutions. SMEs can visit www.smeportal.sg/techdepot for more information.

⁷ Companies can contact Enterprise Singapore at enquiry@enterprisesg.gov.sg.

Association, and a technology platform solution provider, vCargo Cloud, inked a Memorandum of Understanding to establish the first seafood B2B e-marketplace in Singapore.

8. Supported by Enterprise Singapore and IMDA, the new digital marketplace, which will be developed and operated by vCargo Cloud, is a boost to our local seafood trade, traditionally known to be a sector laden with paper-based and manual processes. Through this platform, seafood associations aim to improve operational efficiency by streamlining seafood trading processes such as procurement and sales management, and deliver better business insights through analytics. The platform will offer Singapore seafood merchants greater access to overseas markets through online trading of chilled and frozen seafood, as well as help reduce the cost of fulfilment and enable merchants to achieve economies of scale through shared services. This industry-led initiative will bring on-board about 50 seafood merchants and their trading partners within the first two years. *(Refer to Annex B for more information on the Seafood B2B e-Marketplace)*
9. For more information about the Wholesale Trade IDP, visit www.imda.gov.sg/SMEsGoDigital. Companies interested in the Seafood B2B e-Marketplace, can contact Ms Iris Low at Iris.Low@vcargocloud.com.

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About Enterprise Singapore

Enterprise Singapore, formerly International Enterprise Singapore and SPRING Singapore, is the government agency championing enterprise development. We work with committed companies to build capabilities, innovate and internationalise.

We also support the growth of Singapore as a hub for global trading and startups. As the national standards and accreditation body, we continue to build trust in Singapore's products and services through quality and standards.

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The Infocomm Media Development Authority (IMDA) leads Singapore's digital transformation with infocomm media. To do this, IMDA will develop a dynamic digital economy and a cohesive digital society, driven by an exceptional infocomm media (ICM) ecosystem – by developing talent, strengthening business capabilities, and enhancing Singapore's ICM infrastructure. IMDA also regulates the telecommunications and media sectors to safeguard consumer interests while fostering a pro-business environment, and enhances Singapore's data protection regime through the Personal Data Protection Commission.

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