

***Address by Mr Teo Eng Cheong, Director-General, Singapore Customs
At the 25th Pan Asian E-Commerce Alliance Welcome Dinner***

***The Intercontinental Singapore, Ballroom III
25th April 2007, Wednesday***

Heads of the Pan-Asian E-Commerce Alliance member economies

Ladies and Gentlemen

A very good evening to all.

- 1 It is my pleasure to join you this evening for the twenty-fifth (25th) Pan Asian E-Commerce Alliance Welcome Dinner.
- 2 The world of international trade is vibrant and robust. 2006 was a good year and global economic growth this year is expected to exceed 4%. The rapid expansion of Asia's economies is a key contributor to this growth. The World Bank estimates that global trade volume grew by 9.7% in 2006, surpassing the 7.7% growth of 2005. Globalisation and technological advances have also further presented greater growth opportunities for inter-nation trading.
- 3 The rise in the number of regional and bilateral Free Trade Agreements has further eroded trade barriers, spurring the movement of goods, services and capital across international borders. Singapore has an existing network of twelve Free Trade Agreements with other economies including the US, the European Free Trade Association, China, India, Japan and Korea. This cements the already strong economic ties between the various countries and facilitates deeper trade and economic engagements with them.
- 4 Meanwhile, Singapore's external trade remained robust on the back of the continued expansion in the global economy, despite high prices of oil, commodity imports and tighter monetary conditions. The last

quarter of 2006 saw Singapore's total trade reach 205 billion Singapore Dollars, with trading volume 3% higher than the previous year.

- 5 To continue this strong economic growth, Singapore is seeking to implement a number of growth related strategies, namely to accelerate the pool of highly trained logistics professionals and to develop its supply chain logistics capabilities.
- 6 In late 2005, Singapore Customs announced an initiative to further streamline and simplify the trading process. This took the form of TradeXchange®, a neutral and secure trade platform that facilitates the exchange of information within the trading community for more efficient movement of goods within, into and out of Singapore. Working in tandem with the Singapore Government, CrimsonLogic will develop, operate and drive the adoption of TradeXchange® over the next ten years. TradeXchange® is the first IT project in Singapore to be sealed as a Public Private Partnership (PPP) and will play an integral part of the country's trade infrastructure.
- 7 As Singapore strives to maintain its leading position as a top ten trading nation worldwide, TradeXchange® will serve as a major booster to the meet the growing and complex needs of the trade and logistics community in Singapore. Slated to be launched in October this year, TradeXchange® will provide seamless inter-connectivity amongst commercial and regulatory systems for Singapore's booming trade and logistics businesses.
- 8 TradeXchange® will also offer an extensive global electronic corridor, strengthening inter-nation trade in the era of globalization. Through these platforms, it will bring about substantial savings to the trade and logistics community with its core services and value added services.
- 9 CrimsonLogic is a key partner in this trade facilitation initiative led by the Singapore Customs to promote trade in the region. Besides local

connectivity, TradeXchange® users will be able to leverage on the extensive international network of the TradeXchange® platform for cross-border trade. In this respect, I see great synergy in how the Pan Asian E-Commerce Alliance (PAA) and TradeXchange® can work hand in hand to promote and provide efficient and secure trade solutions, particularly for business-to-government transactions.

- 10 The PAA framework of services is an excellent showcase for paperless trade in the region. The value and contributions that the alliance brings to the trade and logistics industries have been very encouraging. As the demand and adoption of PAA services continue to grow by leaps and bounds, it is heartening to see that the alliance is actively identifying new opportunities and ways to further enhance its offerings.
- 11 I am confident that PAA is well positioned to take the lead in promoting efficient global trade. Your commitment and efforts have certainly earned the respect of many in the industry and we look forward to even greater initiatives from you in time to come.
- 12 On this note, I wish you a pleasant evening and a very fruitful 25th PAA Steering Committee meeting in Singapore.
- 13 Thank you.