

Think bigger when expanding overseas, S'pore firms urged

Singapore companies should do more to exploit the many business opportunities abroad, challenging though it may be to venture into new markets.

Experts speaking to The Straits Times ahead of the upcoming Internationalization Forum said that while there are many stumbling blocks to expanding overseas, the payoffs are worth it.

... ..



Forum organiser Human Capital

Singapore works with the Government, local businesses and academic institutions to "empower local SMEs to transform their businesses into leaner, more productive and highly innovative international organisations that will thrive in the future digital economy", said its chairman Richard Magnus.

... ..

And indeed there are plenty of growth opportunities to be found in this region and beyond, noted Mr. Saud Siddique, chief executive of Tigris Infrastructure Partners, which provides private equity capital to SMEs undertaking water and wastewater-related projects in emerging Asia. "The infrastructure investment needs in emerging markets are valued at over US\$1 trillion (S\$1.38 trillion) annually. The sectors include water, power, ports, airports, roads and renewable energy," he said.

Given the expertise of Singaporean firms, and the reputation that Singapore enjoys globally for quality and good governance, local companies are well-positioned to compete against global, regional and local players to secure contracts in the infrastructure sector, he pointed out.

Mr. Siddique noted that it can be challenging to venture into new markets, especially in developing economies which have "evolving regulatory frameworks which vary in terms of robustness".

His top tip is to take it slow: "Don't rush into a new market until you have done thorough homework on the opportunities and risks of doing business in that market. Get to understand well what you are getting into."

Finding a good local partner is key too, he added.

... ..

(Note: In June 2016, Saud Siddique was invited to serve, in his personal capacity, as Adviser to Singapore's Internationalization Forum Resources Group (IFRG). IFRG is being launched by Singapore's Minister of Finance, Mr Heng Swee Keat that promotes Singaporean SMEs in their efforts to expand abroad. IFRG strives to support Singaporean SMEs which seek to venture overseas to exploit off-shore growth opportunities. It also explores the benefits in having large organisations/companies/MNC-SMEs partnerships for overseas projects. IFRG would also be reaching out to water companies in Singapore, which are planning to venture abroad.)