

## ICCS SPECIAL BUSINESS REPORT



# New opportunities for growth

Bilateral trade between Italy and Singapore looks set to grow with the new Singapore-EU FTA

BY JOLENE LIMUCO

Italy's statistics present a rather paradoxical picture of its economy. The world's eighth-largest economy — and the euro zone's third-largest — has been stagnating for the last 10 years, with GDP rising 0.1 per cent in Q3 2019.

Yet, a closer look unveils a different picture: Italian exports have been growing at a double-digit rate, growing 16 per cent year on year in 2019. This has allowed Italy to remain the second-largest manufacturer in the European Union (EU).

"The current slowdown in global trade is creating opportunities for those who believe in global and free trade," observes Mr Alberto Maria Martinelli, the president of the Italian Chamber of Commerce in Singapore (ICCS). "In this vein, Italy is ready to play a crucial role — thanks to its export-oriented industry."

Italy is Singapore's sixth-largest trading partner in the EU. Bilateral trade in goods between both countries has been on the rise and exceeded \$6 billion last year.

With the free trade agreement (FTA) between Singapore and the EU coming into force last month, it will further strengthen bilateral trade between the Republic and Italy, as well as boost the business relationship between Asean and the EU.

The FTA, which Italy's ambassador to Singapore Raffaele Langella describes as "forward-looking", is the first between the EU and an Asean member state.

The Singapore-EU FTA removes 84 per cent of tariffs on Singapore exports into the EU. This gives Singapore companies greater access to the EU, the world's largest market. Asean is projected to become the world's fourth largest economy by 2030.

Goods such as food products, electronics and pharmaceuticals will now enter the EU market duty-free. Other products like textiles, selected meat and seafood produce will follow in the next three to five years.

The agreement will also improve market access to service sectors. This means that local businesses like telecom-

munications, transport and environmental services will be able to access a wider range of sectors in the EU.

Last year, Italy exported over €2.1 billion (\$3.2 billion) worth of goods to Singapore. The goods span across industries and sectors, including machinery and equipment, electronic components and chemical products.

Singapore, on the other hand, exported over \$600 million worth of goods to Italy. Electric components, chemicals and pharmaceuticals make up the bulk of these.

ICCS has played a crucial role in leading multiple business missions in South-east Asia and Italy. Founded in 1993, the Chamber is a private non-profit organisation representing the interests of companies that aim to strengthen bilateral relations between Italy and Singapore.

### Honour and privilege

Mr Martinelli says: "It is an honour and a privilege to lead the board of directors of ICCS and to speak for the Italian business community in Singapore."

Flagship events that ICCS has organised include the annual Directory Launch that brings together the who's who of the Italian business community in Singapore; the Italian Food & Beverage in Singapore, a fair that attracts buyers from all over South-east Asia; the ICCS Business Awards; CaSa, an Italian design and lifestyle exhibition; and the annual ICCS Gala Dinner.

The annual ICCS Business Awards is held to recognise Italian companies in Singapore and the South-east Asian market as well as Singaporean companies that contribute to the Italian economy.

Four companies were recognised at the 10th ICCS Business Awards on Sept 24. For its \$37 million acquisition of a data centre in Milan, Keppel DC Reit Management was awarded Best Singaporean Investor to Italy.

ICCS Business Awards also recognised COIM Asia Pacific as Best Italian MNC in Singapore and MetaSensing Asia-Pacific as Best Italian SME in Singapore.



Above: The 10th ICCS Business Awards was held at the Clifford Pier at The Fullerton Bay Hotel on Sept 24.

Left and below: The Italian Food Innovation event held in conjunction with the Italian Food & Beverage in Singapore held in June.



Philip Morris Singapore bagged the Business Transformation Award. It operates a research and development facility in Singapore, which works in tandem with the company's production plant in Bologna, Italy.

Since the establishment of Philip Morris Singapore in 2010, the company has invested in research and development, and employed more than 90 people in the research facility.

ICCS recently concluded the first Design Italian Excellence, Compasso d'Oro, in Singapore last month. Organised in collaboration with the Association of Industrial Design and the Embassy of Italy in Singapore, Compasso d'Oro, which means "golden compass" in Italian, showcased 13 companies that have displayed creativity and excellence through industrial design.

According to international statistics, one-third of the total turnover in the design sector across the globe is influenced by Italian designers and craftsmen.

To celebrate the rich heritage of the Italian culture, the ICCS' Gala Dinner tonight (Dec 5) will celebrate the centenary birthday of renowned Italian filmmaker Federico Fellini.

### ABOUT ICCS

ICCS is part of Italian Chamber of Commerce Abroad, a worldwide network of 78 Chambers with 18,000 members in 58 countries.

Last year, the network served 70,000 companies looking to expand their businesses outside of their home countries.

The Singapore Chamber has 205 members and a total turnover of \$1.2 million, making it one of the most efficient and financially-sound within the network.

On the board of ICCS is president Mr Alberto Maria Martinelli, who is also managing director and senior advisor at Julius Baer. Vice-president is Mr Giacomo Clerici, managing director of Coeclerici Far East. Treasurer is Mr Gionata Bosco, general manager of Vimar Asia Pacific. Honorary vice-president is Mr Renato Sirtori who spent 43 years with ST Microelectronics.



The Chamber held the first Compasso d'Oro in Singapore in November to showcase Italian companies that have displayed creativity and excellence in industrial design.

PHOTOS: ICCS

# Boosting Singapore-Italy ties

Italy looks beyond trade to strengthen common interests with Singapore



Italy's ambassador to Singapore, Mr Raffaele Langella, says the latest FTA between Singapore and the EU will increase trade flows between the Republic and Italy. PHOTO: EMBASSY OF ITALY

Tourism is one of Italy's primary economic sectors, accounting for more than 10 per cent of the Italian Gross Domestic Product.

Each year, the European Union (EU) welcomes a steady stream of visitors who are attracted to its rich cultural heritage, medieval villages, wonderful mountains, sea, islands and countryside.

According to United Nations World Tourism Organisation, Italy ranks fifth among the top 10 travel destinations, with a total of 62.1 million arrivals in 2018 — a 7 per cent growth from 2017.

In recent years, it has also seen an increase in visitors from Singapore.

According to Italian National Tourist Board, Italy is among the top five destinations for Asian tourists from Malaysia and Singapore, after the United States, Mexico, China and the United Kingdom.

Summing up the overnight stays in accommodation facilities across Italy, visitors from Malaysia and Singapore spent almost 400,000 nights in the country, reaching a total expenditure of C75 million (\$113 million). Their most-visited destinations are historical cities like Rome, Florence and Venice, followed by holiday sites like Lake Como and Cinque Terre.

Italy's ambassador to Singapore Raffaele Langella observes: "We are well aware that Singaporeans are used to high-end services and accommodation when travelling."

To meet this growing demand, Italy for the first time participated in the International Luxury Travel Market, a luxury travel fair held in Singapore in May.

Italy, which ranks among the top countries preferred by non-European tourists, offers the kind of authentic and sophisticated experience travellers seek.

It is home to so many artistic treasures and unique landscapes that the country can be considered an open-air art gallery. With 55 Unesco World Heritage Sites, Italy tops the list alongside China.

In a bid to attract more tourists from Singapore, Italy has been holding dialogues with the Republic in areas other than trade.

"The Embassy of Italy in Singapore is

committed to the same end, and in a long-term perspective," says Mr Langella. "This partnership is due to be boosted as Italy and Singapore are consolidating and putting in place new bilateral instruments like the Singapore-EU free trade agreement (FTA) to pave the way for a more proactive dialogue in many fields."

This year marks a new chapter in the relations between Singapore and Italy. Bilateral trade between the Republic and Italy is strengthened with the Singapore-EU FTA coming into force on Nov 21.

The FTA is the first between the EU and an Asean member state, and one of the EU's first "new generation" bilateral trade agreements.

Mr Langella says: "In addition to cutting customs duties and non-tariff barriers on trade in goods and services, it commits to protecting intellectual property, liberalising investment, public procurement, competition and developing sustainable development. It is an ambitious agreement with forward-looking provisions."

These provisions will help to promote stronger business ties between Italy and Singapore. The key EU member and a major pillar of EU production is the second-largest manufacturing country in Europe.

Italy and Singapore enjoy strong and long-lasting relations across fields: political, business, research, innovation and culture. This is reflected in the Italian presence in Singapore. An increasing number of Italian companies — over 300 — have made Singapore their

headquarters for operations in the region. The Italian community in Singapore is one of the fastest-growing among EU countries, and now consists of over 5,000 people.

Business ties are solid and growing. Bilateral trade in 2018 reached over \$4 billion, with the vast majority constituted by Italian export of goods to Singapore.

Referring to the Singapore-EU FTA, Mr Langella says: "We are confident that the agreement will greatly increase trade flows in both directions."

The ambassador adds that enhanced market access will deliver new trade and investment opportunities for Italy's traditional sectors such as refined oil products and electronics, as well as less traditional sectors such as tourism and travel-related services.

**This partnership is due to be boosted as Italy and Singapore are consolidating and putting in place new bilateral instruments like the Singapore-EU free trade agreement...**

MR RAFFAELE LANGELLA  
Italy's ambassador  
to Singapore

## BRINGING TECH INTO THE PHARMA INDUSTRY

Brought to you by  
**FEDEGARI**

Fedegari Group is banking on new technology to grow its operations in the regional pharmaceutical sector

The pharmaceutical industry has been growing worldwide at a steady pace and it is one of the sectors that heavily invests significantly in state-of-the-art technologies.

The growth of Fedegari Group has followed the trend of the industry. One of the secrets to its success is that the company has always invested in the engineering of sterile plants with the highest performances possible.

The company recently expanded its main manufacturing facilities in Italy with approximately six Monthly Equipment Utilisation Report (MEUR) investments in state-of-the-art machinery to support an industrial strategy with a 4.0 approach. This includes automated warehouses, laser- and waterjet-cutting machines, a new punch press and other machinery.

### ASIAN EXPANSION

Following the incorporation of Fedegari Asia Pte Ltd in Singapore in 2008, the company has expanded to two offices with 26 employees in 11 years. The company plans to increase its headcount to 30 in 2020.

Managing director of Fedegari Asia, Mr Luca Innacolo, says: "We chose Singapore because it is the perfect hub to do business in Asia for its infrastructure, legal framework, vibrant financial centre and skilled workforce."

Mr Innacolo adds that operating in Singapore has helped the company to understand the Asian culture better before it moved into other regional countries.

Fedegari Asia is also in charge of the operations of the Group's subsidiary in Shanghai, China and the technical support centre in Hyderabad, India.

Its direct presence in such countries is essential. In terms of quantity, China and India are the biggest producers of drugs in the world.

The Asia-Pacific entities generate more than 30 per cent of the total turnover of the Group and will lead the

ambitious market expansion plan of the Fedegari family.

### AUTOMATED SYSTEMS

The use of new technologies has helped the company to better utilise plants and processes that are becoming increasingly complex.

For example, the use of Artificial Intelligence, smart sensors and cloud computing operators can now monitor how clients are using Fedegari machines. In this way they can schedule their maintenance if necessary, which minimises machine downtime. Technology in this case is for the benefit of the end user to improve the performance of the machines.

Fedegari Asia hopes to leverage on Singapore's focus on advanced technology to grow its business. Mr Innacolo says: "We are following with keen interest the investments that are being made in Singapore with regards to its well-developed IT infrastructure. We would like to be part of the process as providers and as users by cooperating with universities, government bodies and private companies as we are doing in Italy."

Fedegari Group was founded in the early 1950s in Albuzzano, Italy. Today, it is a leader in the design and manufacturing of advanced sterilisation systems for pharmaceutical production, including custom moist and dry heat sterilisers, washers, chemical bio-decontamination units, contamination control solutions and integrated systems with robotised handling.

Fedegari systems often exceed the highest global standards in pharmaceutical manufacturing, and are used by many of the largest biopharmaceutical companies in the world. Its systems and equipment operate in more than 100 countries.

The Group is strongly product and process oriented. Its customer-centric approach has led them to build very close relationships with the biggest pharmaceutical companies in the world.

- 1 Fedegari Group's manufacturing facility in Albuzzano in the Pavia region of Italy.
- 2 Fedegari Group produces high-tech machinery for pharmaceutical companies.
- 3 Inside a high-pressure autoclave in the Fedegari manufacturing facility in Albuzzano.

PHOTOS: FEDEGARI GROUP

# KEEPING AN EYE ON THE GROUND - FROM SPACE

ADVANCED RADAR TECHNOLOGY COMPANY  
 METASENSING ELEVATES SPACE-GRADE SURVEILLANCE  
 IN SINGAPORE AND ASIA-PACIFIC

Satellite imagery have become indispensable to map, monitor and understand the earth to give valuable information to decision makers in different sectors.

On a larger scale, these remote sensing technology systems can offer mapping and surveillance assistance. In a country like Singapore, remote sensing technology can be used to monitor the sea, coasts and ports for security and commercial interests.

One such company supplying this technology is MetaSensing, a radar remote sensing solutions provider that develops Synthetic Aperture Radar (SAR) sensors.

SAR is an advanced radar sensing technology that creates high-resolution 2D and 3D images of objects and landscapes in any kind of visibility – during the day or night; and in sunny, cloudy or rainy weather conditions.

Its technology can be used for many applications, such as environmental and earth systems monitoring, geoscience and climate change research, surface deformation mapping, search and rescue, security, surveillance and defence related applications.

MetaSensing operates a defence and space facility in Milan in Italy, and an earth observation and geomatics branch in Noordwijk in the Netherlands.

Its products are used globally by various organisations, including space agencies, research institutes, universities and private businesses.

## USING SINGAPORE AS A SPRINGBOARD

The Italian-Dutch company set up its Asia-Pacific headquarters in Singapore in 2017 to support clients and business development in the region, focusing on ground-based surveillance radar systems and solutions for coastal, port and air surveillance. It also offers airborne SAR for real-time, high-resolution maritime surveillance, patrol, search and rescue, and geo-intelligence.

MetaSensing Asia-Pacific managing director Simone Placidi says: "We already had projects and clients in Asia a few years ago. After we started a new project in Singapore, we decided to set up MetaSensing Asia-Pacific to provide more timely support and local presence for our Singapore and Asia-Pacific customers."

He adds that Singapore invests in advanced technology and innovation, including space technology, and that it was important for the company to be part of this dynamic environment. "After only two years in Singapore, I can say it was a very good decision."

For its initiatives in the development of SAR in the region, MetaSensing was named Best Italian SME at the Italian Chamber of Commerce in Singapore (ICCS) Business Awards 2019. This award recognises companies that contribute to improving Italy's economic relations with Singapore and the Asia-Pacific region. A total of four Italian and Singaporean companies were awarded this year.

"We are very honoured to receive this award," says Mr Placidi. "It acknowledges our efforts in establishing our high-tech activities and to promote the Italian technology ecosystem in Singapore and in the Asia-Pacific region."

The company has also been developing its multi-mode spaceborne SAR payload since 2017. Weighing less than 300kg and capable of providing information with 30cm resolution images for surveillance and geo-intelligence, it was created to support small satellite platforms.

MetaSensing has developed various SAR sensors at different frequencies to cover all the possible applications for earth observation as well as for defence, surveillance and geo-intelligence.

It is harnessing its SAR expertise, know-how and experience to build advanced SAR simulators which can support educational and learning programmes and new SAR system developments that are also leveraging Artificial Intelligence for target recognition and classification.

Brought to you by



A satellite image of Rotterdam captured with SAR sensors.  
 PHOTO: METASENSING



## Italian Design Excellence

The Italian Chamber of Commerce in Singapore (ICCS), in collaboration with the Italian Embassy in Singapore and ADI - Associazione per il Disegno Industriale, presented the Compasso d'Oro Exhibition for ITALIAN DESIGN EXCELLENCE at The Arts House Singapore for the first time in November. This exhibition was an opportunity to introduce selected Italian Industrial Design products. The Design Council Singapore, Singapore Furniture Industry Council and Lamborghini were the kind sponsors who supported the successful event.

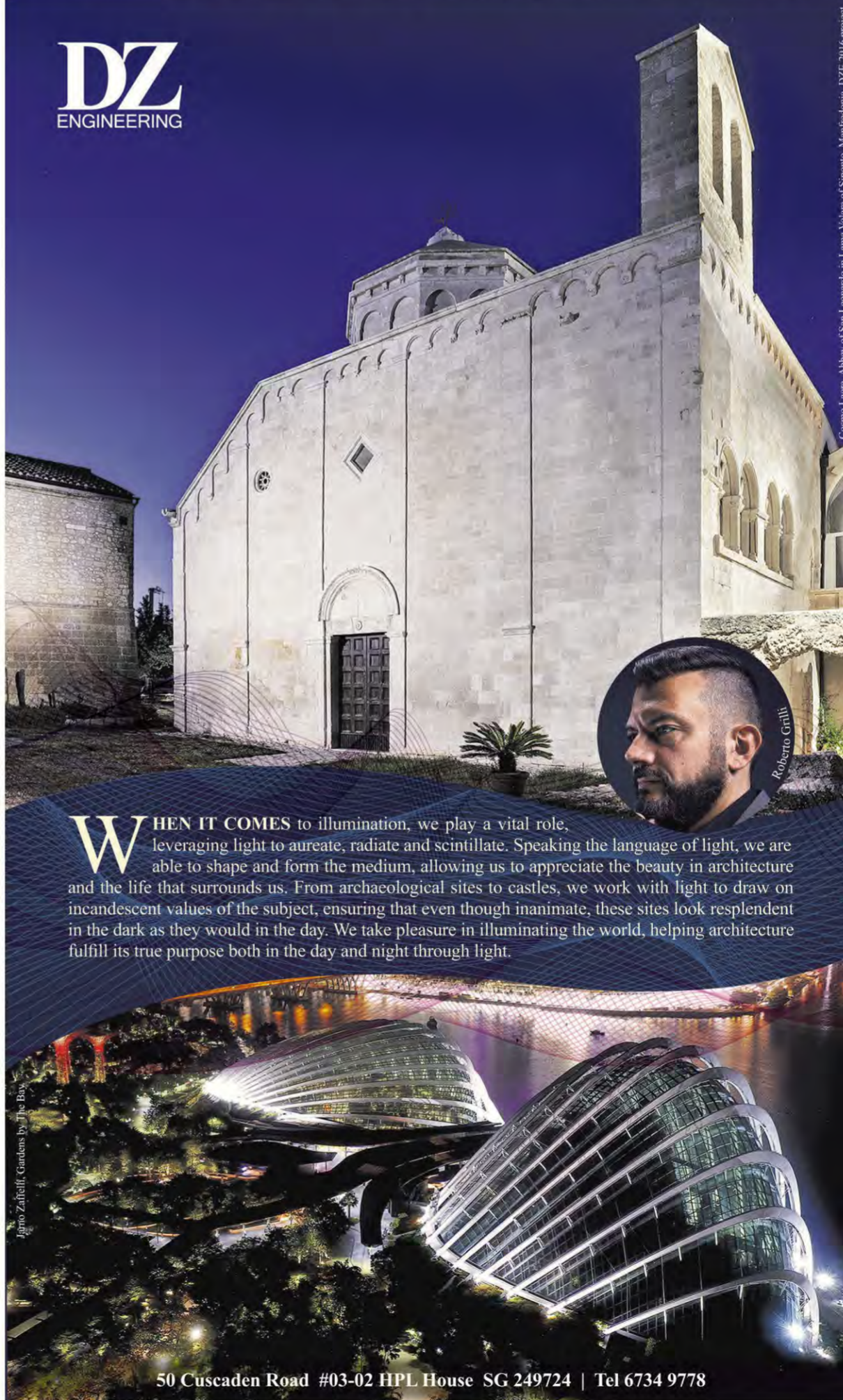


Mr Matteo Ortenzi, CEO Asia Pacific of Automobili Lamborghini said: "The Lamborghini DNA is inextricably rooted in design. Each Lamborghini creation is meticulously conceptualised to catch the eye – and win the hearts – of Lamborghini owners and onlookers alike. This has been a distinguishing value for us since the brand was founded, and it is the essence of true luxury. As such, we are delighted to partner with Compasso d'Oro, as we come together to recognise and celebrate true excellence and innovation in design."

The concept of the exhibition was to illustrate the impact of the industrial design incorporated into daily life. Thanks to extensive research and development, during the past hundred years the Italian industry was able to find the most suitable design to facilitate the modernisation of our everyday life, ranging from automotive and wellness products to smart building and fashion.

The exhibition introduced a selection of 13 companies awarded by ADI in the previous years - Lamborghini, Ducati, Florim, Comelit, Linea Light, Kartell, Technogym, Catalano, Elica, LaCividina, Tubes, Unical and Vibram.

Mr Giacomo Marabiso, Secretary General of the Italian Chamber of Commerce in Singapore said: "Italian design is the best in the world, and there is no doubt about it. The beauty of the Italian design is the simplicity of its products. People can use every day a Timor Calendar designed by Enzo Mari or Brionvega Doney designed by Marco Zanuso or the more recent products like the Technogym skill mill. The industrial skills and the creativity of our Italian designers are the best mix to create iconic products which become immediately part of our daily life."



WHEN IT COMES to illumination, we play a vital role, leveraging light to aureate, radiate and scintillate. Speaking the language of light, we are able to shape and form the medium, allowing us to appreciate the beauty in architecture and the life that surrounds us. From archaeological sites to castles, we work with light to draw on incandescent values of the subject, ensuring that even though inanimate, these sites look resplendent in the dark as they would in the day. We take pleasure in illuminating the world, helping architecture fulfill its true purpose both in the day and night through light.

Jahno Zahleff, Gardens by the Bay

50 Cuscaden Road #03-02 HPL House SG 249724 | Tel 6734 9778