Interview: Dr. Tim Philippi – Executive Director, Singaporean-German Chamber of Industry and Commerce, Singapore



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The executive director of the Singaporean-German Chamber of Industry and Commerce explains the evolution of the business relationship between Singapore and Germany, cultural similarities and challenges, and showcases the chamber as a platform to further enhance bilateral economic relations between the two nations.

Could you please introduce to our international readers the main activities and responsibilities of the chamber as well as the history behind its foundation?

The Singaporean-German Chamber of Industry and Commerce (SGC) was established in 2004 and is part of a network of 130 offices of the German bilateral Chambers of Industry and Commerce abroad in 90 countries.

The Chamber is one of the largest national Business Chambers in Singapore with a membership pool of more than 500 representatives from a variety of industries. With its distinct service unit and trade fairs arm – DEinternational and Fairs & More respectively – the SGC builds a primary source for receiving reliable information on German businesses in Singapore, as well as the business and economic scene in Germany.

Its members and contacts can draw from the Chamber’s resources. In addition to being a membership organization, the SGC serves as a valuable networking platform. Through its active industry committees, it gives a voice to businesses which is further multiplied through its solidarity with other European and national Chambers. Moreover, the SGC fulfils public obligations on behalf of the German Government.

What is the importance of Singapore to Germany in terms of international trade?

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For most of the German companies in Singapore, the city state is the hub for the region because of its location, the good infrastructure, the connectivity, and the reliable legal environment, to name a few. The number of German companies stands at more than 1,500 today and is still growing.

What strengths has Singapore to attract German companies in comparison to other countries within the region?

In addition to some key points highlighted above, there are other reasons behind the high interest of German companies to establish and expand their operations to Singapore: the importance of the markets, in Singapore and the region, the positive business friendly environment, and the evidence that Singapore has been a successful business hub for the rest of the region. In addition, it is also an essential factor to consider the fact that Singaporeans are native English speakers, which invariably supports good communication.

What is the internationalization process followed by German companies when they expand their operations to Singapore?

In many cases German companies start selling their products through a local business representative. During this first step, the German company is focused on enlarging its customer base—adapting or adjusting its portfolio to the local and regional needs. Once the core market knowledge has been built, own entities might be founded in Singapore and the region. The next step might be to open a small manufacturing or R&D site in order to enlarge the supply quality and capability in a continuous process according to evolution of demands.

What advice would you give to a German company coming to Singapore for the first time?

Most of the largest German companies already have a presence in Singapore; therefore, German ‘Mittelstand’ companies are the ones who are now thinking about expanding their operations to

Singapore and the region. Normally, these companies are the ones who follow the aforementioned internationalization process. It is important to help these companies to enlarge their presence in Singapore step-by-step, covering all different phases to adapt their structure and products to the country and the region. There has been a positive trend of German Mittelstand companies entering to Singapore and most of them have displayed growing waves of success.

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Why is the German Chamber the ideal platform for these types of companies to enlarge their activities in Singapore?

Our approach is to foster trade promotion through the chamber's capabilities and membership network. We try to connect German companies with companies in Singapore and our chamber also provides numerous business services, while our expansive membership network is a very valuable asset, hence positioning the chamber as a great partner and platform to connect.

How do you assess the similarities and differences between the German and Singaporean business culture and which sectors of the economy are German companies most active in?

Singaporean and German businesses, despite the long distance between the two countries, are similar. In both countries, enterprises, for example, have very structured business approaches. Also, both countries have a relatively large presence of manufacturing industries, and to name a few sectors, German companies are expanding their footprints in the chemical and pharmaceutical industries in Singapore amongst others

How has the German Chamber reinvented itself to maintain its high added value?

For us, it is important to stay up-to-date in terms of pinpointing and diagnosing the business trends as a platform for trade promotion between Germany and Singapore. In this regard, it is very beneficial that we have continuous feedback from our members. Then we can support them better in taking advantage of new business opportunities within, for example, smart manufacturing or smart cities development. Usually, the directors attend our events, but we are in a process of offering activities also to younger executives since they often have a different approach about current business trends.

What would you like to achieve in the upcoming three years in terms of capabilities and results for the German chamber?

Our main purpose is to enhance the business relationships between Germany and Singapore. In addition, the opportunities and services that we offer are not just for our company members, we are an open organization. I strongly believe that there are huge business opportunities for German companies in Singapore and the region and we are working on promoting them. I believe that throughout the next years, ASEAN will experience an important growth and we support German and Singaporean companies to participate in this development.

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