

News Release

For Immediate Release

Business communities in Singapore and across the Asia-Pacific call on APEC governments to keep regulations to a minimum

Singapore, Thursday, 9 July 2009 – Removing unnecessary regulations that severely impact on business operations is one of the key steps to improve the business environment within the Asia-Pacific region, said the APEC Business Advisory Council (ABAC) Singapore and the Singapore Business Federation (SBF), the joint organizers of today's dialogue session on "Removing Barriers for Business Growth in APEC".

The dialogue session was held in conjunction with the presentation of key indicative findings of the **ABAC Ease of Doing Business Survey**, launched by ABAC in March this year. The survey aimed to draw inputs from APEC's 21 member business community, including Singapore, on the priority areas of regulatory reform that should be implemented by governments.

The topic of focus at this session was on structural reform within APEC and in particular, improving the ease of doing business in the region. This dialogue session is the third in a series of events organized this year to raise awareness among the business community about APEC's policy agenda under Singapore's chairmanship in 2009.

The discussion was led by a panel consisting of Mr. Teng Theng Dar, SBF CEO and Chair of ABAC 2009; Ambassador Michael Tay, Executive Director, APEC

Secretariat; Ms. Chong Siak Ching, President and CEO, Ascendas Pte. Ltd. and ABAC Singapore Member; and Dr. Cheong Wei Yang, Deputy Director, Industry Division, Ministry of Trade and Industry and Singapore Representative to APEC's Economic Committee. The panelists stressed the importance of "behind-the-border" reforms like cutting down on the number of regulatory procedures required by government agencies, as a complementary process to traditional "at-the-border" trade liberalization efforts like tariff reduction. They also updated participants on various initiatives at APEC to improve the business environment and promote structural reform in the region.

The ABAC survey, which drew reference from the 10 indicators of the World Bank's Doing Business Report, garnered inputs from the Asia-Pacific business community on the priority areas of regulatory reform that should be implemented by governments. 218 respondents, where 16 per cent came from Singapore, were asked to rank in terms of priority, the regulatory area most in need of improvement in the economy in which they operate in. Among the 10 indicators, "Dealing with Permits", "Starting a Business" and "Protecting Investors" emerged as the top three priority areas for regulatory reform within APEC economies.

Respondents who provided feedback on doing business in Singapore largely echoed the indicative findings, recognizing that "Dealing with Permits" remain the top priority area in need of regulatory reform in Singapore. However, respondents felt that "Employing Workers" was an area of concern for businesses operating in Singapore, instead of "Starting a Business". This comes as the World Bank's Doing Business Report 2009 ranked Singapore 10th in the world in terms of the ease of starting a business.

In general, respondents, half of whom represented the SME sector in the APEC region, also provided recommendations, for example, to unify procedures among various levels of government, and making use of existing technology for online

applications to facilitate the application of permits and licenses, as an immediate way to cut down on costs incurred and processing time. One tool that can be implemented immediately would to allow all permit applications from government agencies to be made available through a single website.

ABAC will share the overall results of the survey with APEC Senior Officials during their meeting in mid July, to enable APEC to identify priority areas as part of the development of an action plan to improve the business environment in the region.

In making a strong statement for governments to remove regulatory impediments and improve the business environment, Mr. Teng said, “At the very fundamental level, all forms of regulation are barriers to businesses. But this is not to say that regulation serves no purpose. Businesses welcome regulations that help maintain a certain level of standard, and those regulations that ensure the safety and health of everyone. All that we are hoping for is for other non-critical and non-essential regulations to be reduced or removed, to enable businesses to grow and contribute to overall economic prosperity.”

The dialogue was attended by some 47 local and foreign participants from a wide representation of industry sectors including Manufacturing, Real Estate, Logistics and Consumer goods.

About Asia-Pacific Economic Cooperation (APEC)

Asia-Pacific Economic Cooperation, or APEC, is the premier forum for facilitating economic growth, cooperation, trade and investment in the Asia-Pacific region.

APEC is the only inter-governmental grouping in the world operating on the basis of non-binding commitments, open dialogue and equal respect for the views of all participants. Unlike the WTO or other multilateral trade bodies, APEC has no treaty obligations required of its participants. Decisions made within APEC are reached by consensus and commitments are undertaken on a voluntary basis.

APEC has 21 members - referred to as "Member Economies" - which account for approximately 40.5% of the world's population, approximately 54.2% of world GDP and about 43.7% of world trade.

APEC's 21 Member Economies are Australia; Brunei Darussalam; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; The Republic of the Philippines; The Russian Federation; Singapore; Chinese Taipei; Thailand; United States of America; Vietnam. For more information: www.apec.org.

About APEC Business Advisory Council (ABAC)

The APEC Business Advisory Council (ABAC) was created by the APEC Economic Leaders in November 1995 to provide advice on the implementation of the Osaka Action Agenda and on other specific business sector priorities, and to respond when the various APEC fora request information about business-related issues or to provide the business perspective on specific areas of cooperation.

ABAC comprises of up to three members of the private sector from each economy. ABAC members are appointed by their respective Leaders, and represent a range of business sectors, including small and medium enterprises.

The economy determines the term of membership of each appointee as well as its own administrative arrangements and staff support.

The ABAC International Secretariat based in Manila, the Philippines serves all members and all economies and maintains a website. Funding is provided through a system of annual dues, which are structured to reflect the size of each economy, following the APEC formula. The Singapore Business Federation as the apex business chamber serves as the ABAC national secretariat for Singapore. For more information: www.abaonline.org and www.sbf.org.sg/abacsg.

About Singapore Business Federation

As the apex business chamber, the Singapore Business Federation (SBF) champions the interests of the business community in Singapore, in trade, investment and industrial relations. Nationally, SBF acts as the bridge between the government and businesses in Singapore to create a conducive business environment. Internationally, SBF represents the business community in bilateral, regional and multilateral fora for the purpose of trade expansion and business networking. For more information: www.sbf.org.sg

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