

## MEDIA RELEASE

### **SMEs stand to benefit from the new PEP collaboration with SBF and the EDCs**

Small and Medium Enterprises (SMEs) and budding entrepreneurs will now get more help in getting the regulatory red tape they face removed or relaxed. The Pro-Enterprise Panel (PEP) has formed new collaborations with the Singapore Business Federation (SBF) and three Enterprise Development Centres (EDCs)<sup>1</sup> to establish additional channels for their SME members to give suggestions to the PEP.

2 Announcing the tie-up at the Action Community for Entrepreneurship (ACE) BlueSky Exchange and Evening today, Minister of State (MOS) for Trade and Industry and Minister-in-charge of Entrepreneurship, Mr Lee Yi Shyan, emphasised the importance of business feedback in cutting red tape and creating a pro-enterprise environment in Singapore. MOS Lee added that it was the strong and effective collaboration between the public and private sectors in the PEP that has helped Singapore achieve the top three rankings in the World Bank's 'Doing Business Report' in the past three years.

3 The involvement of the business associations will enable the PEP to be more accessible to SMEs. SMEs, particularly new businesses and budding entrepreneurs exploring new business ideas, can approach the associations to get assistance to craft and submit suggestions to cut red tape. Mr Lawrence Leow, President of ASME and a member of the PEP, believes that the new arrangement is a positive extension of the successful public-private PEP model: "This collaboration increases the reach of the PEP to SMEs and provides SMEs with more opportunities to shape the pro-enterprise landscape of Singapore in significant ways. This collaboration will also help identify key red tape issues that affect specific sectors and the business community as a whole." To kick off the collaboration, the associations, together with the PEP Secretariat from the Ministry of Trade & Industry, have started outreach sessions for SMEs beginning this month.

4 The Pro-Enterprise Panel, which also works closely with the Rules Action Crucible of ACE to encourage a pro-business regulatory environment, has received about 1,500 suggestions to cut red tape since its inception in 2000. Of these, more than half have been accepted for implementation. With two-third private sector representation in the panel, the PEP mechanism ensures that each suggestion is evaluated carefully. When a suggestion is not accepted, the PEP makes sure that the rationale behind the regulation is clearly explained to the suggestor. The PEP will also ask the agency to offer alternative solutions to help resolve the issues faced by businesses.

5 "The PEP has helped businesses, particularly SMEs, to pursue their business goals and dreams by continuously removing and revising obsolete government rules. In almost every case, the impact of each accepted PEP suggestion benefits more than a single suggestor. Businesses in the same industry and across different industries; businesses today and those to be set up in the future -- they may enjoy the benefits too. In addition, rule changes create opportunities for similar rules in other government agencies to be reviewed and revised. The result is a more pro-enterprise environment for businesses to grow and the economy to thrive, with benefits for all Singaporeans", said Mr Peter Ho, the Head of Civil Service and Chairman of the PEP.

~ End of release~

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<sup>1</sup> The three EDCs are located at the Association of Small and Medium Enterprises (ASME), the Singapore Chinese Chambers of Commerce & Industry (SCCCI), and the Singapore Manufacturers' Federation (SMA).

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### **Example of PEP Suggestion: Housing off-site foreign workers**

A construction firm owner had written to the PEP highlighting the difficulties he faced in finding accommodation for his workers in approved dormitories. These tended to be fully occupied. He was also unable to house his workers in HDB flats, private house or shophouses.

When he found out that the main contractor he was supporting had spare capacity in his converted factory dormitory, he thought he had found a solution, only to be told that only the landlord's workers could stay there.

The construction firm owner submitted a PEP suggestion that landlords be allowed to rent out their workers' dormitories. The relevant agencies reviewed the guidelines and agreed that off-site foreign workers (not employed by the owner or lessee of a factory) should be allowed to reside in workers' dormitories in an industrial or warehouse development. The revised guidelines would help ease the shortage of housing for foreign workers.

To businesses, this rule relaxation opens up more choices, and makes it easier for them to find accommodation for their workers, especially dormitories which are closer to their place of work. It also allows owners and lessees of dormitories to optimise the use of their factory space.

### **About the Pro-Enterprise Panel**

[www.pep.gov.sg](http://www.pep.gov.sg)

The Pro-Enterprise Panel (PEP) was established in August 2000 as a Public-Private Partnership to actively solicit feedback and suggestions on rules and regulations to build a pro-business landscape. Two-thirds of the members of the PEP are from the private sector to ensure that sufficient consideration is given from a pro-business angle when suggestions are evaluated, and that the PEP has the deep business knowledge to engage regulatory agencies in pushing through changes. It is part of the Public Service in the 21<sup>st</sup> Century movement to ensure that government rules and regulations remain relevant and supportive of a pro-business environment.

### **About the Action Community for Entrepreneurship**

[www.ace.sg](http://www.ace.sg)

The Action Community for Entrepreneurship (ACE) is a movement that involves both the private and public sectors to create a more entrepreneurial environment in Singapore. ACE seeks to be a change agent in building a more pro-enterprise environment through the facilitation of discussion, debate and recommendations on the regulatory framework; changing culture and mindset; improving access to finance and facilitating networking. For more information, visit [www.ace.sg](http://www.ace.sg).

**About the 23<sup>rd</sup> ACE BlueSky Exchange and Evening (23 Jan 2007)**

<http://www.ace.org.sg/AceSpecial/index.asp?ID=102>

The 23rd ACE BlueSky Exchange and Evening is co-organised by the Action Community for Entrepreneurship (ACE) and the Pro-Enterprise Panel (PEP) Secretariats. The theme for the event is "Improving the Regulatory Environment for Businesses".

**About the Singapore Business Federation (SBF)**

<http://www.sbf.org.sg>

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 the businesses in Singapore to create a conducive business environment. Internationally, SBF represents the business community in bilateral, regional, multilateral fora for the purpose of trade expansion and business networking.

**About Enterprise Development Centres (EDCs)**

The Enterprise Development Centres (EDCs) are part of SPRING Singapore's EnterpriseOne initiative to provide an integrated network of information and services to Singapore enterprises. The EDCs set up by SPRING Singapore in partnership with the chambers and associations provide a wide range of expert business consultancy products and services to both aspiring entrepreneurs and existing businesses. Each EDC is designed to have its own specific focus and areas of specialisation to support the SMEs effectively.

The three EDCs collaborating with the PEP are:

(1) Association of Small and Medium Enterprises (ASME)  
[edc@asme.org.sg](mailto:edc@asme.org.sg)

(2) Singapore Manufacturers' Federation (SMA)  
[edc@smafederation.org.sg](mailto:edc@smafederation.org.sg)

(3) Singapore Chinese Chamber of Commerce & Industry (SCCCI)  
[edc@sccci.org.sg](mailto:edc@sccci.org.sg)