

GOVERNMENT AGENCIES ADOPT RESPONSIVE RULES TO STRENGTHEN BUSINESSES' COMPETITIVE EDGE

1. Government agencies remain responsive to businesses' needs when implementing rules and regulations to support business competitiveness. The overall Pro-Enterprise Index (PEI) of the 26 agencies based on the Pro-Enterprise Ranking (PER) Survey in 2014 was 74.2, an improvement from the score of 71.2 in 2012.
2. The PER Survey is conducted to assess government agencies with regulatory functions on how business friendly they are. The 2014 survey, commissioned by the Pro-Enterprise Panel (PEP), found that agencies have made improvements in terms of responsiveness to customers and transparency in the administering of rules. These efforts contributed to Singapore's strong showing in the latest World Bank report¹, which ranked Singapore the world's most business-friendly environment for the ninth consecutive year.
3. Agencies that have done well in the survey were recognised at the Pro-Enterprise Panel – Singapore Business Federation (PEP-SBF) Awards 2014. The event recognises the efforts of government agencies in their commitment to stay pro-enterprise as well as the contributions of businesses in providing useful feedback and suggestions to improve the business environment.
4. Four major awards are given out at this event: PEP-SBF Pro-Enterprise Agency Awards; PEP Best Suggestion (Business) Awards; PEP Best Suggestion (Supporting Agency) Awards and the Public Sector Pro-Enterprise Initiative Awards 2014. In total, 19 awards were given out to public agencies, businesses and individuals.
5. Senior Minister of State for Finance and Transport Mrs Josephine Teo, Guest of Honour at the event, said, "Government regulations, while sometimes necessary, need not be onerous. Many agencies have put in extra efforts to listen to the business communities they serve, to re-examine their rules and procedures and to make changes for the better. The Awards encourages all of them to step up their support to businesses and keep Singapore one of the most enterprise-friendly places in the world."
6. Mr Lawrence Leow, Honorary Treasurer of the SBF and Chairman of the SME Committee, said that he was glad that agencies such as MOM were recognised by businesses as pro-enterprise. Mr Leow said, "MOM is tasked with the mission to build progressive workplaces and strengthening tripartite relationships. MOM has important touch points to many businesses, which include workplace safety and manpower policy. It is important that policies and processes be helmed by an agency that is pro-enterprise, so that local businesses can thrive with less unnecessary regulatory procedures."

¹ World Bank Doing Business Report 2015

MPA and MOM named top and most improved agency respectively

7. The PEP-SBF Pro-Enterprise Award is given to the top five agencies and three most improved agencies in the PER Survey. Maritime and Port Authority of Singapore (MPA) emerged top again this year, a consistent performance for the past three consecutive PER Surveys.
8. Believing that the Government must keep itself close to the ground, MPA's Chief Executive, Mr Andrew Tan said, "We are greatly encouraged by the strong support from the maritime industry. We will continue to work closely with all our stakeholders to tackle a more challenging business environment. By working together, we can come up with better solutions and greater buy-in. Mutual trust and respect are key ingredients for success."
9. The Ministry of Manpower (MOM) was recognised by businesses for being pro-enterprise. It bagged five awards at the PEP-SBF Awards 2014, including the Most Improved Agency Award, three of the Public Sector Pro-Enterprise Initiative Awards and the PEP Best Suggestion (Supporting Agency) Award. MOM's score increased by 12.3 points from 61.0 in 2012 to 73.3 in 2014, moving it up from 23rd position to 12th position in 2014.
10. Responding to its improved performance, MOM's Permanent Secretary, Mr Loh Khum Yean, said "MOM recognises the need for Singapore to remain attractive to global investments and also to help businesses here grow, for sustainable economic growth and job creation. We will continue to make sure that our policies, programmes and regulations contribute towards creating an environment that is conducive for businesses".
11. In addition, two individuals will receive the PEP Best Suggestion Awards for providing good feedback and suggestions to improve rules and regulations through the PEP so as to better facilitate businesses. The agencies that have implemented these winning PEP suggestions will also be recognised and awarded the PEP Best Suggestion (Supporting Agency) Award.

**ISSUED JOINTLY BY MINISTRY OF TRADE AND INDUSTRY AND SINGAPORE
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Annex A

Background of Awards to be given out at the PEP-SBF Awards 2014

A) PEP-SBF Pro-Enterprise Agency Awards 2014

The PEP-SBF Pro-Enterprise Agency Awards are based on the results of the annual Pro-Enterprise Ranking (PER) Survey, which has been conducted since 2004, as part of PEP's effort to support a more pro-enterprise environment.

The PER Survey is a perception survey of business customers of regulatory agencies, and serves as an important tool to monitor how well government agencies have been performing in delivering regulatory functions. The PER survey, which involved 4,232 respondents, assesses 26 agencies on 5 specific areas, including "Customer Responsiveness", "Transparency", "Review of Rules Regulations", "Pro-Enterprise Orientation" and "Compliance Cost".

Awards are given out to the top five ranking agencies and three agencies which have shown the greatest improvement in the PER Survey 2014.

Position	Agency
1	Maritime and Port Authority of Singapore (MPA)
2	Singapore Customs
3	Singapore Land Authority (SLA)
4	Infocomm Development Authority of Singapore (IDA)
5	National Environment Agency (NEA)

B) PEP-SBF Most Improved Agency Awards 2014

Agency
Ministry of Manpower (MOM) <ul style="list-style-type: none"> Moved up from 23rd position in 2012 to 12th position in 2014.
National Environment Agency (NEA) <ul style="list-style-type: none"> Moved up from 11th position in 2012 to 5th position in 2014.
Singapore Land Authority (SLA) <ul style="list-style-type: none"> Moved up from 4th position in 2012 to 3rd position in 2014.

C) PEP Best Suggestion Awards

The PEP Best Suggestion Awards recognises private sector individuals and businesses which have given good feedback and suggestions to improve rules and regulations through the PEP. To date, PEP has received more than 1,800 suggestions and accepted more than half of them.

This year, two individuals will receive the award. Government agencies which **have reviewed and accepted these suggestions are also recognised and awarded the PEP Best Suggestion (Supporting Agency) Award.**

Details of the winning suggestions are:

Suggestion: Remove requirement for companies to use company seal for MOM applications	
<p>Suggestor: Mr Edgar Wong Asiaf1rst, Corporate Compliance Pte Ltd</p> <p>MOM requires companies to use company seal for WP applications. After companies submit a work permit application online, company staff would still need to stamp on the physical paper documentation when he/she collects the work permit card after approval. Failure to bring the company stamp had resulted with non-issuance of the card and loss of one man day.</p> <p>To the thousands of business entities, particularly new ones, the cost of making company stamps and the cost of delays for not having company stamps during visits to government departments had resulted in the loss of productivity.</p>	<p>Supporting agency: Ministry of Manpower</p> <p>The company seal was introduced to ensure the authenticity to the employers' work pass applications and requests. The requirement for company seal acted as a safeguard against potential fraud.</p> <p>Understanding that companies today may not have a seal, MOM has reviewed and relaxed this rule, by making company seal optional when businesses submit hardcopy forms. In place of a seal, MOM requires the company to submit a letter of authorisation printed on the company's letterhead and signed by an authorised officer instead.</p>

Suggestion: Total Debt Servicing Ratio (TDSR) Rule in MAS 645

Industry feedback

MAS launched the Total Debt Servicing Ratio (TDSR) framework in June 2013 for all property-related loans granted by financial institutions (FIs). The TDSR framework is not applicable to corporates applying for property loans, except where the borrower is a corporate set up by an individual solely to purchase property.

Several corporates and FIs sought clarification on when a corporate would be deemed to be set up solely for the purchase of property, in which case the TDSR framework would be applicable.

Supporting agency:

Monetary Authority of Singapore

MAS revised the TDSR regulations in Aug 2013 and made amendments to clarify that a corporate set up solely for the purchase of property refers to a shell company with no substantive business or genuine commercial activities.

This additional guidance helps ensure consistency in the application of MAS' rules.

Suggestion: Removal of security deposit for film distributor licence

Suggestor: Mr Jason Oon

Previously, all film and video licensees were required to place security deposits (SD) ranging from S\$20,000 to S\$30,000, depending on the type of licences issued. For example, a film distributor had to lodge a security deposit of \$20,000 for a film distribution licence to distribute any film rated up to PG 13, and \$30,000 for films rated up to M18. According to Mr Jason Oon, small businesses had to pay the same amount as expected of bigger ones and the security deposit proved to be a substantial business cost for SMEs.

**Supporting agency:
Media Development Authority**

The SD requirement was imposed on film licensees (both film exhibition and film distribution licensees) to act as a deterrent against (potential) wrongdoings. Arising from the suggestion, MDA reviewed the SD policy and subsequently decided that the SD will be waived for film licensees which achieved a good compliance record for the past one year. This allowed more than 95% of the film licensees to have their SD waived/refunded, while still ensuring the effectiveness of the SD as a deterrent.

New Film Distribution and Film Exhibition Licensees will still need to lodge a SD for the first year of their licence. However, the SD will be refunded if they have regularly engaged in these activities and have maintained a good compliance record in the first year.

The waiver of the SD was announced in November 2013. To ensure that licensees were aware of this move, MDA also announced the pro-enterprise initiative through industry briefing sessions. The SD refund exercise was completed in May 2014.