

**SPEECH BY MR S ISWARAN,
MINISTER FOR TRADE AND INDUSTRY (INDUSTRY), AT
BRITCHAM'S 17TH ANNUAL BUSINESS AWARDS GALA DINNER AT
SHANGRI-LA HOTEL ON THURSDAY, 29 SEPTEMBER 2016, 8.10PM**

Your Excellency, Scott Wightman, British High Commissioner to Singapore,

Dr. Bicky Bhangu, President of the British Chamber of Commerce,

Distinguished Guests,

Ladies and Gentlemen,

Introduction

1. Good evening. It gives me great pleasure to join you on the occasion of BritCham's 17th Annual Business Awards to celebrate excellence in business.

Innovation is key to the success of businesses in today's complex and uncertain economic environment.

2. The finalists for tonight's awards have significant accomplishments in their respective fields and industry sectors. They also exemplify the importance and benefit of a steadfast commitment to innovation, as a response to technological advancement, and to stay ahead in today's complex and dynamic business environment.

3. Innovation is also key to sustaining the competitiveness of Singapore's economy. Hence, we have committed \$19 billion under our RIE2020 plan to fund Research, Innovation & Enterprise over the next 5 years. The Committee on the Future Economy (CFE) has also accorded innovation considerable importance. One of the priorities of the CFE is to recommend strategies to enhance the capacity of our companies and industries to innovate and create value.

4. The story of one of tonight's awards finalists, Mint Payments, is an apt illustration. In its relatively short eleven-year history, Mint Payments has built an impressive reputation as a pioneer in payment solutions. Central to its success was a clear strategy of harnessing innovation and technology, as well as forging strategic partnerships with key merchants, to secure its position in the highly competitive FinTech sector.

Singapore and the UK are natural partners in innovation, built upon our longstanding and robust bilateral relations.

5. Beyond a conducive policy environment, the best outcomes are often borne out of collaborative innovation efforts. Collaborations among companies, big and small; across different industries; between governments; as well as public-private partnerships can help enhance the space for innovation, increase the impact of resources allocated to the effort, and mitigate the associated risks. It is therefore

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important that Governments and businesses seek ways to strengthen partnerships and work with one another.

6. In that regard, Singapore and the UK have a good track record of collaboration. For example, the Monetary Authority of Singapore (MAS) and the UK's Financial Conduct Authority (FCA) jointly launched FinTech Bridge in May this year. It is an initiative that enables MAS and FCA to refer FinTech companies in Singapore and the UK to each other. This allows innovative firms to network, find synergy and form partnerships to bring their ideas to our respective markets and regions.

7. We have also seen regular collaborations between our companies on R&D projects that take advantage of their complementary strengths and innovative capacities. For example, UK engineering company Llyod's Register recently embarked on an R&D project with Singapore's Keppel Corporation to develop new semi-submersible designs. These new designs would enhance safety and improve the performance of semi-submersible platforms in deeper waters and harsher environments.

8. The ability to collaborate on these high-quality and sophisticated R&D projects requires deep expertise and a high level of trust. The mutual confidence shared by Singapore-UK businesses stem from our robust bilateral relations that have grown over the years. One measure of the breadth and depth of our economic ties is our importance to one another as trade and investment partners. In 2015, the UK was Singapore's 4th largest trading partner and our 6th largest global investor, with the total FDI stock from the UK amounting to S\$66 billion. Conversely, Singapore is the UK's largest trading partner in ASEAN and 4th largest Asian investor (after India, China, and Japan).

9. Singapore hosts more than 4,000 British companies in key sectors like chemicals, pharmaceuticals, infocomms and media, and transport engineering. Many of these firms have been active participants in Singapore's economic development. Rolls-Royce is one of the most established and successful British companies here, having maintained a presence in Singapore since the 1950s, employing a workforce of over 2,200, and accounting for 15% of Singapore's aerospace output. The company's Seletar Campus assembles and tests the Trent Aero-Engine which powers the Airbus A380 and the Boeing 787 Dreamliner.

10. Many British companies also use Singapore as a launch pad to access business opportunities in the region. For example, British technology company Dyson has established its Regional Headquarters in Singapore, and located significant global R&D functions that focus on developing its Air Multiplier technology found in all its 'bladeless' fans. At Dyson's motor facility in Tuas, a team of engineers work closely with their UK counterparts to design the company's digital motor technology found in many of its machines. Through its operations in Singapore, Dyson has also been able to grow and expand rapidly into the region.

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With our pro-business environment, Singapore is an ideal base for businesses to tap on the economic opportunities in ASEAN.

11. At the regional level, Europe and Asia have always been friends and our companies have looked to each other for economic and collaboration opportunities. We should sustain the efforts to build on our ties, be it through the EU-Singapore FTA or other trade arrangements. In particular, the importance of UK's connectivity through Singapore to ASEAN and other regional trading agreements like the Regional Comprehensive Economic Partnership and Trans Pacific Partnership, will take on added significance as the UK works out the future of its economic links with Europe.

12. Apart from the trusted legal system and the ease of doing business, many UK companies have already formed strong links with Singaporean firms who are well-acquainted with the ASEAN market and have deep experience in navigating the region. These firms serve as valuable partners for UK businesses looking to ASEAN as a promising growth market.

13. This is especially relevant given the projection, underpinned by sound economic fundamentals, that ASEAN will become the fourth-largest global economy by 2030. By 2020, the region is expected to have a US\$3 trillion economy and a population of more than 600 million. Combined with a rising middle class, significant natural resources, and rapid urbanisation, ASEAN's economic potential is compelling.

14. The ASEAN Economic Community or "AEC 2015" launched in December 2015 will deepen regional integration and transform the region into a competitive single market and production base. We can expect greater trade and investment prospects in the coming years, guided by the AEC Blueprint 2025, as numerous telecommunications and IT infrastructure projects promote greater connectivity within the region.

15. Clearly, the growing markets of Asia offer growth opportunities for British businesses. And in Singapore you will find a partner with a shared attitude towards trade and investment, and a compatible corporate culture. As Asia and ASEAN continue to grow, we hope that more Singapore and UK companies will work together to tap on the emerging opportunities.

Conclusion

16. Let me conclude by congratulating all of tonight's finalists on your achievements, and wishing you success in your ventures. I would also like to express my appreciation to the British Chamber of Commerce for your support over the years. BritCham has been a staunch and reliable partner in advancing our economic ties, and played a crucial role in bringing our business communities closer together.

17. Building on the firm foundation of our shared history and strong bilateral relations, I believe that Singapore and the UK will remain close partners for decades

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to come. Thank you once again for inviting me to join you on this celebratory occasion. I wish you all a pleasant evening.

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