

OPENING ADDRESS BY MR STEPHEN LEE, CHAIRMAN,

SINGAPORE TRADE DEVELOPMENT BOARD AT TDB INTERNATIONAL DAY 1999, 12 JANUARY, SUNTEC CENTRE

Professor S. Jayakumar,

Minister for Law and Minister for Foreign Affairs,

Your Excellencies

Distinguished guests

Ladies and Gentlemen

Good morning.

It is my pleasure to welcome all of you to the fourth TDB International Day. Since its inception in 1996, TDB International Day has evolved to become one of the most important events within the TDB calendar, and we hope within the business community as well.

First conceived as a useful and informative platform for TDB and our local businessmen to network and to share practical experiences in doing business abroad, TDB International Day also provided an excellent means for the Board to highlight the investment opportunities and risks in the region and beyond. In the light of the current Asian economic slowdown, these objectives take on even greater significance.

This year's theme, 'The Asian Crisis and the Road Beyond', is thus timely. It is a poignant reminder that while Singapore and our Asian neighbours are still far from being out of the woods, we must not remain complacent. We must look at what's ahead and prepare for Asia's recovery.

National Archives of Singapore
International Day is therefore more than just a networking session. It represents a concerted effort to offer vital information on potential markets as well as to give our businesses that extra edge in their search for new opportunities and new markets during these difficult times.

The Asian Crisis and the Road Beyond

What first started as the 'Asian flu' some 18 months ago in Thailand has now spread to other parts of the world. The speed in which the contagion has spread clearly demonstrates the close interdependence of the global economy today. Thus when one country "sneezes", the surrounding economies, and indeed, the whole world, will eventually feel its impact.

For affected economies, the collapse of their regional financial markets has meant a

collapse in investor confidence. Businesses and international trading almost came to a standstill. For what seemed an inexorably long time, a dark cloud hung over Asia.

It is thus encouraging to read recent reports by the World Trade Organisation which gives a more positive indication that these troubled economies may have bottomed out and that an upswing should be expected in the not too distant future.

However, while we can take consolation in knowing that the storm is about to blow over, let's first take a look at the lessons to be learnt from this economic turmoil.

Singapore, it is generally acknowledged, has withstood the crisis better than our neighbours. Yet, serious cracks have also been exposed. Our companies have come across as being inward-looking and dependent on the safe and familiar. This mindset must change as often new opportunities lie outside the regional boundaries. Our companies therefore need to strengthen and diversify their external wing by incorporating a global dimension.

TDB's Response to help Companies

In line with the Government's recent announcements to ensure Singapore's competitiveness, TDB has adopted a three-pronged approach to develop Singapore's overseas markets.

Firstly, by accessing emerging markets, consolidating resources in regional markets and expanding demand in growth markets. TDB is organising 28 fairs and missions to emerging markets such as Latin America or Africa, and conducting more courses and seminars to update Singapore businessmen on emerging market trends.

Secondly, the Board has also increased its efforts to promote trade and trade-related investments in areas such as international trading, exhibition management services and transport and logistics as part of the long term vision to make Singapore into Asia's Premier Services Hub.

Thirdly, TDB is also actively promoting new modes of trading such as Franchising, Direct Marketing and Electronic Commerce.

International Day will help businesses seize opportunities

Clearly, in spite of these difficult times, astute businessmen should see that there are still many opportunities for the picking. Moreover, as Singapore's trading partners continue to liberalise their economies, the greater transparency and decreasing levels of bureaucratic red tape will help open doors for more foreign investment.

For example, participants attending the workshop on the services sector in China will be able to find out how liberalisation of the sector will present Singapore businessmen with business opportunities in areas such as construction and retailing.

New developments in the global marketplace, such as the introduction of the Euro currency, should also make it easier for Singapore companies to penetrate otherwise unfamiliar and geographically diverse markets.

The speakers in the workshop on the Euro will advise participants on the implications of the Euro currency on trade and investment activities in Europe and how Singapore companies should respond to them.

Companies with strong products should recognise that having a good product alone is not enough to ensure success in a foreign market; ultimately, companies need to build up the right contacts and the right connections.

TDB International Day is thus an appropriate platform for companies to gather such information. I am pleased to note that TDB International Day continues to receive strong support from the business community. We are also privileged to have several eminent speakers with us to share their experience and knowledge. Their hands-on perspective will certainly help fellow businessmen gain invaluable insight to surviving in these challenging times.

I encourage you also to take tap on the expertise and knowledge of TDB's overseas trade officers here today. Based in 32 overseas centres, they will not only have first-hand market intelligence but can serve as a useful point-of-contact for any on-the-ground assistance you may need in those key markets where they are based.

I am pleased to take this opportunity to announce that TDB will be opening our 33rd overseas trade office in Bangkok in March this year. This new addition will further enhance the warm bilateral trading relations between Singapore and Thailand, as well as make it easier for businessmen to find the support they need to conduct business in the region.

I am confident that today's programme will benefit our companies in their efforts to strengthen their external wing. Our companies must be ready to capitalise on the opportunities when the global economies go into an upswing.

Today's International Day should play an important role in helping companies realise and examine the opportunities available.

It is now my pleasure to invite Professor S. Jayakumar, Minister for Law and Minister for Foreign Affairs, to deliver the keynote address.