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Omnibus Bill next year to boost nation's status as centre for cross-border debt restructuring

Ng Huiwen

A new law to consolidate Singapore's personal bankruptcy and corporate insolvency regimes will be introduced next year, said Home Affairs and Law Minister K. Shanmugam yesterday.

The omnibus Insolvency Bill, which is expected to be enacted in

the second half of next year, will streamline the laws to provide consistency and clarity, said Mr Shanmugam, who was speaking at the start of the Singapore Insolvency Conference 2017.

Currently, the provisions can be found in two separate statutes: the Bankruptcy Act and the Companies Act.

This major change to Singapore's

legislative framework will further boost the Republic's status as a leading centre for cross-border debt restructuring, he added.

The new Bill will also implement the remaining recommendations of the Insolvency Law Reform Committee proposed in 2013, such as a framework for the regulation of insolvency professionals.

Mr Shanmugam said that these are necessary steps amid the highest global corporate default rates seen in the past year since the 2008 global financial crisis, and defaults of nearly US\$1 billion (S\$1.3 billion)

in the Singapore bond market since November 2015.

A recent study by global consulting firm Oliver Wyman showed that the total amount of debt available for restructuring across key Asia-Pacific markets is estimated at US\$250 billion, he noted.

"Out of this, a substantial sum is accessible to Singapore-based service providers," he said.

He added that recent reforms are poised to be a "game changer", allowing Singapore to now have "one of the most flexible and forward-looking corporate debt restructur-

ing regimes in Asia". Among the reforms he cited are the amendments to the Companies Act passed in March. These efforts have gained international recognition, he said, adding that in June, Singapore won the "Most Improved Jurisdiction" award at the Global Restructuring Review Inaugural Awards.

In the immediate term, Mr Shanmugam said that the Government will look at supporting opportunities for training and education to increase the talent pool in Singapore.

Already, the Singapore Management University is set to offer undergraduates a cross-disciplinary restructuring and insolvency module in January next year.

Now in its sixth year, the two-day conference will gather a record 400 participants, including judges and lawyers, from around the world.

There will be forums, panel discussions and master classes held at the event at the Marina Bay Sands Expo and Convention Centre.

nghuiwen@sph.com.sg

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