

Singapore Min hopes Modi govt to make positive policy changes

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Singapore: Expectations are running high that the newly elected Prime Minister Narendra Modi and Bhartiya Janata Party government will embark on positive policy changes and take India forward on path of development and growth, a Singapore Minister said today.

“With a strong majority in the Lok Sabha, expectations are running high that the newly elected government will embark on positive policy changes and initiatives to move India decisively forward in its path of development and growth, while securing its geopolitical interests,” said S Iswaran, minister in the Singapore’s Prime Minister’s Office.

“The people and businesses anticipate more opportunities and a brighter future in India, as evident in the headlines and stock markets,” Iswaran, who is also Second Minister in the Trade & Industry, and Home Affairs Ministries, said.

“But the path ahead is not without its challenges, though the Indian people have given Modi and BJP a resounding mandate,” he told the India-Singapore Business Dialogue held at the Singapore Management University (SMU) here.

Iswaran noted the Indians broad-based support to Modi’s and BJP’s vision and reform agenda, and extended his congratulations.

Iswaran went on to highlight the strong bilateral ties between India and Singapore, saying “our ties are strong and multi-faceted — between our governments, people and economies”.

In 2013, India was Singapore’s 11th largest trading partner and 12th largest export destination, with total trade volume of 25.5 billion Singaporean dollars (USD 20.36 billion).

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“There is significant scope to further enhance our bilateral economic cooperation. In particular, I believe these opportunities lie in India’s industrial, infrastructure and skills development priorities, and the potential for greater regional economic integration,” he said.

Touching on business opportunities in India, he said Singapore companies with expertise and access to capital market could make meaningful contribution in building ports, power plants and roads as well as the development of manufacturing sector.

“With the recent regulatory change and easing of the rules, Indian companies can now list overseas, subject to prescribed conditions, without having to do so first in India,” he said.

Beyond the India-Singapore bilateral initiatives, there were also significant opportunities to be had through collaboration in/with third countries arising from various regional integration efforts, said Iswaran.

He ASEAN Economic Community, which would come into force next year, would create a USD 2 trillion market of 600 million people in the grouping of 10 member countries in South East Asia.

“The ASEAN-India Free Trade Agreement (AIFTA) enhances this economic connectivity, allowing our businesses to jointly explore opportunities in the wider region.

“For Indian companies, this is an opportunity to access the developing markets of South-East Asia with products and services initially developed for their domestic market,” Iswaran said.

“...Besides the evident market opportunities, our historical ties, cultural familiarity, and common use of English, especially in business, are assets,” he said.

Singapore companies also have a certain familiarity with Indian market in several sectors due to business activities over the past few decades.

These attributes have also been relevant when other countries have sought to partner Singapore companies with the expertise to meet the needs of the Indian market, he said.

Iswaran cited the example of a Singapore-Japanese consortium – Hyflux in venture with Hitachi and Itochu – on the sea water desalination plant in Dahej, Gujarat.

“With the significant and growing cohort of Indian companies in Singapore, Singapore companies in India, and foreign companies in either or both markets, I expect many more of such partnerships in the coming years,” he said.

“While the path ahead is not without its challenges, our longstanding ties, cultural familiarity and people-to-people links stand us in good stead to jointly participate in these opportunities for mutual benefits,” he said at the Dialogue which was first held in 2012 by SMU.