

Singapore



*An update
from the Singapore Embassy*

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SM Goh Reaffirms Warm Singapore-U.S. Ties

“Chok”, that is what President George Bush warmly called Senior Minister (SM) Goh Chok Tong when they met for the fifth time in early June. An indication of the warm ties between the two leaders.

During his two-day visit to Washington DC, his first since becoming Senior Minister, SM Goh also called on Vice-President Dick Cheney, and met Federal Reserve Chairman Ben Bernanke and former Deputy Secretary of State Robert Zoellick.

During their 50-minute meeting, President Bush and SM Goh discussed wide-ranging issues, from China, developments in Southeast Asia, to the situation in the Middle East and Iran’s nuclear programme.



Photo: Singapore Press Holdings

“We did not have any problems to raise with the U.S., so we discussed trends in the world and how we saw each other’s regions developing,” said SM Goh.

On the topic of China, SM Goh said that while there are no major problems between Washington and Beijing, there is concern about how the U.S. will cope with a rising China in the long term. On Iran’s nuclear programme, he reaffirmed Singapore’s support for the U.S. position of joining the Europeans in having a dialogue with Teheran.

SM Goh added: “I also came here to show continued support for the U.S. position on Iraq. Whatever the reasons why the U.S. went into Iraq, it has got to finish the job.” He noted that it might take years to resolve, but if the end result is a better Iraq, then people will accept that it was worthwhile.

SM Goh pointed out that it was important for Singapore to continually nurture its ties with the U.S. in order to know Washington’s concerns and its stand on issues. At the same

time, Singapore leaders can also appraise their U.S. counterparts on regional developments from an Asian perspective. SM Goh and Vice-President Cheney also covered similar issues in their 40-minute conversation.

During the wrap-up press conference, SM Goh noted that President Bush is looking forward to meeting the leaders of the seven ASEAN countries when he visits Hanoi in November for the Asia-Pacific Economic Cooperation forum.

Accompanying SM Goh on this visit were Mrs. Goh, Minister for Transport and Second Minister for Foreign Affairs Raymond Lim, and Minister of State for Education Lui Tuck Yew.

*Singapore Celebrates
Its 41st National Day
on August 9th*



President Bush and Senior Minister Goh discussed wide-ranging issues during their 50-minute meeting.

Secretary Rumsfeld Joins Asia-Pacific Defence Ministers at 5th Shangri-La Dialogue



Photo: Singapore Press Holdings

Speaking at the Shangri-La Dialogue, Secretary Rumsfeld reaffirmed the U.S. commitment to stay engaged in the region.

U.S. Defence Secretary Donald Rumsfeld joined more than 300 delegates from 23 countries, including 14 defence ministers or their deputies, as well as 11 military chiefs, at the Fifth Asia Security Summit, known as the Shangri-La Dialogue, held in Singapore.

The annual three-day event in June, which was organised by London's International Institute for Strategic Studies, encouraged delegates to voice their opinions on a variety of security issues ranging from the global war on terrorism, the situation in Iraq, the nuclear programmes of Iran and North Korea, and other topics.

In his speech to the delegates, Secretary Rumsfeld said that the U.S. is committed to staying engaged in the region. During his visit Mr. Rumsfeld also met with Singapore Prime

Minister Lee Hsien Loong, where they discussed political developments in Asia, including the rise of China and India. They also exchanged views on international security, with specific reference to terrorism and trouble spots in East Asia.

Prime Minister Lee also addressed delegates attending the summit and warned of conflict if Asia ended up a closed bloc centred on China and facing off against a rival bloc across the Pacific centred on the U.S. "Asia's prosperity will always depend on its being part of

the global economy, and not a closed trading bloc," he said.

Singapore Defence Minister Teo Chee Hean urged delegates to work together on practical steps against threats such as terrorism and avian flu, pointing out that cross-border cooperation is proving effective in fighting piracy in the Malacca Strait.

"There is a pressing need for countries to come together to pool our knowledge, experiences and ideas... and then determine what to do together to tackle them effectively and enhance our collective security," Mr. Teo said.

Eminent Muslim Leader Visits Singapore

Sheikh Dr. Muhammad Sayyid Tantawi, a leading spiritual and intellectual leader in the Muslim world and an Egyptian cleric well known for his progressive views on Islam, recently visited Singapore, where approximately 15 percent of the population is Muslim.

Dr. Tantawi was invited by Prime Minister (PM) Lee Hsien Loong as part of the inaugural Islamic Religious Council of Singapore (Muis) Distinguished Visitor Programme, which aims to bring in eminent Muslim leaders to reflect on the challenges con-

fronting Islam in the modern world.

During remarks he made as part of a public speech, Dr. Tantawi, Grand Imam of the Cairo-based Al-Azhar University, called on Singaporean Muslims to work and live harmoniously with their fellow citizens. He also spoke of the need for Muslims to embrace scientific progress and reject terrorism.

Dr. Tantawi, who praised Singapore for its multi-religious stance, also met with several of Singapore's leaders, including PM Lee, President S.R. Nathan, Senior



Photo: Singapore Press Holdings

Sheikh Dr. Muhammad Sayyid Tantawi (right) met with PM Lee during his visit to Singapore.

Minister Goh Chok Tong, Deputy Prime Ministers S. Jayakumar and Wong Kan Seng, and Minister-in-charge of Muslim Affairs Dr. Yaacob Ibrahim. Dr. Yaacob hosted

an inter-faith lunch meeting with community and religious leaders for Dr. Tantawi during the latter's three-day visit.

New Cabinet Sworn In

“The world is changing faster than ever... The major players around the world are assessing the new strategic landscape and repositioning themselves for the emerging opportunities. Singapore must do the same. By the next general election, we will face a very different world. Where Singapore fits into this world depends on our actions in the next five years,” said Prime Minister Lee Hsien Loong in his speech at the swearing-in ceremony of the new Cabinet at the end of May.

The scene was similar to the ceremony two years ago when then Deputy Prime Minister Lee was sworn in as Prime Minister (PM). But the evening’s ceremony was the result of the General Elections on May 6 where PM Lee led his first campaign to a 66.6 percent mandate. About 700 guests from all walks of life witnessed the 45-minute ceremony held in the Istana State Room. PM Lee and the team of 17 Ministers, two Senior Ministers of State and seven Ministers of State received their instruments of appointment from President S.R. Nathan after taking their oath of allegiance before the President and Chief Justice Chan Sek Keong.

Highlighting the challenges in the world today in his speech, PM Lee called on young Singaporeans to be engaged in the

nation’s future. Noting that many young Singaporeans voted for the first time in this General Election, he said: “I encourage you to step forward, to engage in issues facing our country, and to take more responsibility for moving Singapore forward. The more you do this, the more assured Singapore’s future will be.”

PM Lee also sketched out his Government’s priorities, namely to turn Singapore into a land of opportunity with good jobs and a first-class education system. He gave the assurance that the Government will continue to pay special attention to the elderly and low-income, especially in the areas of health care and rising cost of living.

Referring to those who voted for the opposition, he said that he respected their choice and added: “We must maintain unity



PM Lee (left) receiving the instrument of appointment from President S.R. Nathan (centre) after taking his oath of allegiance before the President and Chief Justice Chan Sek Keong (right).

and trust between the leadership and the people, between those who support the Government and its policies and those who prefer something different.” PM Lee pledged to work with his team to “win the confidence and support of all Singaporeans”.

Also calling on Singaporeans to work together with the new leadership team was the President. In his speech, President Nathan said: “We have worked hard to make Singapore what it is today — something special and unique that all of us are proud of... We now have a new leadership team for Singapore. Let us continue to work together to realise our aspirations for a better Singapore, and a brighter future for ourselves and our children.”

“There have been a lot of challenges in the past few years since Mr. Lee became PM, but he has led the country well. He seems to be very open-minded and kind, especially toward low-wage workers like us,” said Madam Rosmini Sulong, who was retrenched in 2002 but found a job within two years after undergoing skills retraining.



Above left: PM Lee (front row, centre) with his newly sworn-in team at the Istana.



15-year-old Jeremy Lim, who suffers from brittle bone disease, chatted with PM Lee after the ceremony and pointed out that he was also from the same school that PM Lee attended.

Software Piracy Down in Singapore

The use of bootleg programs in Singapore has dropped to its lowest level in recent years and Singapore now ranks among the top 20 countries worldwide with the lowest piracy rates.

According to the report by the software piracy watchdog, Business Software Alliance (BSA), released in May, software piracy in Singapore fell to a record low of 40 per cent last year, from 43 per cent two years ago. The BSA has measured global piracy levels among consumers and businesses since 2003.

According to BSA's vice-president and regional director for Asia Jeffrey Hardee, last year's drop was due to the tightening of the Copyright Act in January last year to make the use of illegal software in companies for commercial advantage a criminal offence. Other key factors include stricter enforcement action by local authorities and better public education. He described last year's dip as "very good" since "it is not easy to get large drops," and added that "going forward, we'll see further reductions in Singapore".

In the rest of Asia, the piracy rate for the entire Asia-Pacific area increased by one percentage point to 54 per cent in 2005. According to the report, the Asian nations — Vietnam, Indonesia, China and Pakistan — are among the world's five worst offenders. The global piracy rate of 35 per cent remains unchanged, with the United States having the lowest at 21 per cent.

Business Briefs

Singapore Airlines Places US\$4.5 Billion Order for Boeing Jets

Singapore Airlines (SIA) has signed a Letter of Intent to purchase 20 Boeing 787-9s, with purchase rights for another 20 of the same aircraft.

At current manufacturer catalogue prices, the value of the 20 firm aircraft is US\$4.52 billion. Deliveries will be scheduled between early 2011 and mid 2013, and will be for fleet renewal as well as to cater for growth.

In a standard three-class configuration, the 787-9 can carry between 250 and 290 passengers. It also has space for about 20 tonnes of cargo, and will have a range of 8,600 to 8,800 nautical miles (15,900 to 16,300 kilometres).

Singapore Airlines plans to deploy the aircraft on routes to North Asia, the Indian subcontinent and the Middle East.

GlaxoSmithKline to Open Children's Vaccine Plant in Singapore

GlaxoSmithKline (GSK), the world's leading manufacturer of vaccines, will spend more than US\$187 million to build a paediatric vaccine plant in Singapore.

The new plant is GSK's largest vaccine manufacturing investment in Asia and will focus on producing vaccines against infectious diseases such as meningitis and typhoid. It also will be only GSK's second facility worldwide to produce vaccines for children, with the other plant in Belgium.

Singapore Health Minister Khaw Boon Wan said at the groundbreaking ceremony for the new facility that GSK's investment was significant

because it reinforced Singapore's global position in biologics — the making of products from living organisms.

A*Star Collaborates with U.S. Companies

Singapore's Agency for Science, Technology and Research (A*Star) and Hewlett Packard will be jointly investing US\$19 million over the next three years to set up a HP Shared Services Platform Laboratory in Singapore.

The new lab will be HP's largest shared laboratory in the world and its first in the Asia-Pacific. The technologies to be researched may be applied in a number of sectors, including desktop publishing, logistics, enterprise, weather prediction, scientific computing and where large-scale, complex systems are needed.

In addition, A*Star is collaborating on a multi-million dollar effort to commercialise silicon photonics with U.S. start-up SiOptical, a specialist in the field, and Singapore-based Chartered Semiconductor Manufacturing. Photonics are used in virtually every telecommunications link today.

Economy Should Weather Possible Global Economic Slowdown

Singapore's economy should weather any global economic slowdown, according to the Monetary Authority of Singapore (MAS).

Despite the latest increase in global oil prices, MAS is maintaining its 1-2 percent inflation forecast for the year, which should help Singapore stay on track for 5-7 percent GDP growth for the year.

Mr. Heng Swee Keat, MAS manag-

ing director, said that despite the rise in oil prices, robust growth in China and India, as well as improving conditions in Japan and Europe, will keep Singapore's export markets strong, even if the U.S. economy slows.

Singapore Adds 45,000 Jobs in Quarter 1

The number of new jobs in Singapore grew by the strongest pace in more than 10 years during the first quarter of this year.

Singapore's Manpower Ministry reported that 45,000 jobs were created from January to March, surpassing an earlier estimate of 33,400 and more than double the 17,800 jobs added in the first quarter of last year.

The services sector created the highest number of jobs, adding 28,000 jobs to the market, while the manufacturing sector added 11,100 new jobs and the construction sector adding 5,600.

Kraft Asia-Pacific Wins Award

Kraft Foods Asia Pacific Services has received the International Headquarters award from the Singapore Economic Development Board. The award is given to top companies with substantial headquarters functions in Singapore.

Kraft, which moved its Asia-Pacific headquarters to from Melbourne to Singapore in January 2005, expects its revenue from the Asia-Pacific region to double in the next five years.

"We see the biggest scope in China, India and Indonesia. Being in Singapore with its fantastic infrastructure and proximity to these markets will help us boost our business in the region," said Mr. Arjun Gupta, president, Kraft Foods Asia-Pacific.

Rise in Singapore Direct Investments in the U.S.

Singapore companies injected US\$1.1 billion to acquire or set up business in the U.S. in 2005. This figure was up from an estimated US\$300 million the year before, an upward trend for the third straight year. According to the U.S. Department of Commerce, Singapore's investments in the U.S. last year were mainly in three sectors — manufacturing, retail trade, and real estate, rental and leasing — unlike in 2004 where the concentration was in only two sectors — manufacturing, and professional, scientific and technical services. On the whole, foreign investments in the U.S. in 2005 witnessed a large increase in manufacturing, information and banks, which accounted for 58 percent of the total investments.

Singapore's investments in the U.S. in 2005 were the third largest among the Asia-Pacific countries. Led by Australia, the region invested US\$10.7 billion in the U.S. in 2005, up from US\$6 billion a year earlier.

The following are examples of two Singapore companies that have invested in the U.S. ➤

AMFELS <http://www.keppelfels.com.sg>

With over 800 full-time employees, AMFELS is the largest single employer in Brownsville, Texas.

Located in the Port of Brownsville, Texas, AMFELS is a wholly owned subsidiary of Keppel Offshore & Marine Ltd, a division of the Keppel Group. Acquired in 1990, AMFELS specialises in new construction, upgrading, conversion and repair of mobile offshore drilling rigs. There are two yards with a total area of 188 acres. The Gulf of Mexico has the highest concentration of offshore rigs in the world, and AMFELS is well placed to support the numerous drilling contractors carrying out oil and gas exploration and production activities in the region. Over the past decade, AMFELS has transformed itself into the leading shipyard for mobile drilling rigs in the U.S.

Singapore Technologies Aerospace <http://www.staero.aero>

Out of the 14,603 employees deployed at Singapore Technologies (ST) Engineering's facilities around the world, 20 percent (approximately 2,900) are American and the majority is based in ST Aerospace's facilities in Alabama and Texas. The Americans are in fact the second largest nationality group employed in ST Engineering after Singapore nationals.

ST Aerospace is one of the four units of Singapore Technologies Engineering. It is the world's largest third-party aviation maintenance, repair and overhaul service provider and it has currently established two facilities in the U.S. ST Mobile Aerospace Engineering was first set up in 1991 at the Brookley Industrial Complex in Mobile, Alabama. The 881,000 sq. ft. facility specialises in heavy maintenance and repair of narrow-body and wide-body aircraft, in addition to Passenger-To-Freighter conversion and avionics upgrade for designated aircraft models. A second facility, the Santanio Aerospace LP was established in 2002 and is located at the San Antonio International Airport in Texas. The facility has over 550,000 sq. ft. of hangar space and provides maintenance services for a range of wide-body and narrow-body aircrafts.

The U.S. is a major client base for ST Aerospace because 40 percent of its business is derived from the U.S. which is acknowledged to be the biggest aviation market in the world. In 2005, the turnover at ST Aerospace was US\$750 million with gross profit amounting to US\$171 million. With the greater part of the business coming from the U.S., ST Aerospace is committed to developing a comprehensive and skilled workforce at its two U.S. facilities.

Source: IE Singapore

Singapore Sends Relief Teams to Indonesia Quake Zone



Photo: Singapore Press Holdings

Forty Singapore health professionals — doctors, nurses and medics — drawn from hospitals across Singapore, the Singapore Red Cross and Mercy Relief were deployed to Indonesia's earthquake-hit areas at the end of May. In addition, Singapore Armed Forces and Civil Defence medical personnel also were dispatched to assist victims with little access to medical aid.

The military and civil defence medical staff from Singapore worked along-side their Indonesian counterparts to provide primary care using a mobile clinic, which is operated from a truck. The Red Cross also operated a mobile clinic in Bantul, one of the worst-hit towns.

A Singapore medical officer (left) working alongside his Indonesian counterparts to bring medical assistance to the earthquake victims.

Singapore Launches “Intelligent Nation 2015” Masterplan

Singapore has launched a 10-year information technology masterplan to generate US\$37.5 billion in infocomm export revenue, create 80,000 new jobs, have a 90 percent broadband penetration and a computer in all homes with school-age children.

Called Intelligent Nation 2015, or “iN2015,” the masterplan was announced by Minister for Information, Communications and the Arts Dr. Lee Boon Yang at the Infocomm and Media Business Exchange conference and exhibition in Singapore in June. Dr. Lee highlighted four key strategies to help Singapore achieve the goals set out in iN2015.

First, Singapore will build the Next Generation National Infocomm Infrastructure, which will consist of a new, ultra-high speed wired network and an island-wide wireless broadband network.

The second key strategy of iN2015 is to help strengthen the

Singapore infocomm industry and internationalise and export its IT products and services.

The third strategy is to develop an infocomm savvy workforce and globally competitive infocomm talent pool in Singapore.

The fourth key strategy of iN2015 is to harness infocomm technologies to give Singapore’s economy a competitive edge. Dr. Lee identified several target industries, including: financial services; manufacturing and logistics; tourism; hospitality and retail; government services; digital media entertainment; education; and healthcare and biomedical services.

In addition, a high-tech



Photo: Singapore Press Holdings

Minister for Information, Communications and the Arts Dr. Lee Boon Yang outlined four key strategies to help Singapore reach the goals set out in the iN2015 Masterplan.

National Cyber-Threat Monitoring Centre will begin operations early next year to keep Singapore’s expanding electronic networks safe from cyber-hackers and terrorists.

Indonesia, Singapore Sign Agreement on Special Economic Zones

Indonesia and Singapore have signed a new economic agreement designed to revitalise the Indonesian islands of Batam, Bintan and Karimun.

The establishment of Special Economic Zones (SEZs) to draw more investments and boost economic growth in the area, also is intended to foster

a new phase of cooperation between the two nations.

The agreement outlines seven key areas Indonesia and Singapore will cooperate on, including investment, taxation, immigration, and finance and banking, to ensure that business, regulatory and labour conditions in these islands are favourable to investors.

Singapore Prime Minister Lee Hsien Loong and Indonesia President Susilo Bambang Yudhoyono witnessed the signing of the “Framework Agreement on Cooperation” by Singapore

Trade and Industry Minister Lim Hng Kiang and Indonesia’s Coordinating Minister for the Economy Dr. Boediono.

Mr. Lee said the agreement was an important milestone for bilateral relations, and that success in the SEZs will create a win-win outcome for both Singapore and Indonesia. “Singapore will benefit if Batam, Bintan and Karimun attract more investments because it will help to make Singapore more competitive, compared to China, India or Vietnam.”



Photo: Singapore Press Holdings

From left: Singapore Prime Minister Lee Hsien Loong and Trade and Industry Minister Lim Hng Kiang, with Indonesia’s Coordinating Minister for the Economy Dr. Boediono and President Susilo Bambang Yudhoyono at the signing ceremony.

African Ministers Study Singapore Education Model

A team of senior policy makers from six African countries was in Singapore between June 18 and 24, 2006 to learn about Singapore's education reforms. The 30 members from Cameroon, Ethiopia, Ghana, Lesotho, Madagascar, and Mozambique were participants of the Asia Education Study Visit for African Policy Makers which took place in the wake of growing interest by African countries to learn how Asian countries such as Singapore have progressed from problems similar to what they are now facing, to become world leaders in education.

Organised by International Enterprise Singapore, Singapore's Foreign Affairs Ministry and the World Bank, the visit covered the development and strategic management of Singapore education, teachers, curriculum and textbooks since Independence, and included panel discussions and site visits to educational institutes.

Playing a vital role in Singapore's economic and national development, the education sector has been the second largest recipient of government funding for many years — averaging four per cent of Singapore's GDP annually. There are some 2,800 education establishments, of which 300 are public schools.

Internationally recognised as a premier education hub in Asia, Singapore offers a diverse and distinctive mix of educational services in a safe, cosmopolitan and comfortable environment. It was ranked third out of 60 countries in terms of the education system meeting the needs of a competitive economy by the World Economic Forum in 2005. In 2003, the International Mathematics and Science Study (TIMSS) ranked Singapore first for both mathematics and science programmes. Singapore's education enterprises have expanded into markets such as China, India, Southeast Asia, Korea and Japan, providing consultancy with their experience and expertise.

By partnering with Singapore education service providers, overseas schools can provide a relevant, advanced and well-developed education that combines the best in curriculum and methodology from East and West.



New Supply Chain Security Plan

Singapore has started a new initiative to get all locally-based companies involved in the supply chain business to boost their security.

The programme has been drawn up based on a risk and vulnerability assessment approach and incorporates inputs from both government and industry, according to Deputy Prime Minister Professor S. Jayakumar, who unveiled the voluntary plan at an APEC symposium on supply chain security in July.

"The long supply chains and interdependence that globalisation has created makes it vulnerable to disruption by external forces and events, the biggest threat of which is that posed by radical terrorist groups," Professor Jayakumar

said. "Whether we are public or private sector, we all have a stake in keeping the supply chains intact."

The new initiative provides security guidelines and goals covering the various supply-chain nodes, such as suppliers, manufacturers, warehouse operators, transport companies and terminal operators.

Singapore's PSA Corporation, a major global player in the supply chain, concentrates on five aspects when boosting security — using cutting edge technology, training its people, collaborating with industry and other government agencies and striking a balance between security needs and efficiency requirements — according to PSA officials.

Asian Countries Fight Piracy on the High Seas

Singapore has signed and ratified the first regional government-to-government agreement to combat piracy and armed robbery against ships. The regional Cooperation Agreement on Combating Piracy and Robbery Against Ships in Asia, or ReCAAP Agreement, will take effect on September 4, 2006. Eleven countries — Singapore, Cambodia, India, Japan, Korea, Laos, Myanmar, the Philippines, Sri Lanka, Thailand and Vietnam — have ratified the agreement, with Brunei in the process of doing so.

Through this agreement, ReCAAP countries will institutionalise their cooperation by setting up the Information Sharing Centre (ISC) in Singapore with full-time staff. In addition, Singapore will host the first meeting of the ISC governing council later this year.

The ISC will collect and distribute information relayed to it by participating countries and will analyse the data and pattern of attacks and provide intelligence to alert ships to possible piracy dangers in vital sea lanes.



Photo: S2006

Four Million Smiles to Welcome the World

In anticipation of the 16,000 visitors coming to Singapore this September for the 2006 Annual Meetings of the Board of Governors of the International Monetary Fund and World Bank Group, Singapore has called on her citizens and residents to give a uniquely Singaporean welcome to the delegates and visitors of Singapore 2006.

Launched by Prime Minister Lee Hsien Loong on June 11, he encouraged Singaporeans to show the human face and provide the human touch of the nation to welcome the delegates and visitors warmly through "Four Million Smiles". He added that Singaporeans should take pride in Singapore's opportunity to play host to such a significant event and to stand together to provide its guests with a positive, unique and unforgettable "Singaporean Experience".

Four Million Smiles serves as a clarion call to rally Singaporeans to participate in a national cause and show off Singapore to the world. It actively encourages Singaporeans and

friends of Singapore to play a part in welcoming visitors through their smiling photographs. These submissions will be collated onto a digital mural which will welcome delegates and visitors to Singapore. The colourful mural will also be used on various outdoor spaces and advertising platforms such as print and television advertisements.

Singaporeans overseas and all who used to work, live or study in Singapore were also invited to participate by submitting their digital pictures online through the "Four Million Smiles" website.

www.smileS2006.com



PM Lee having his photo taken at the special photo-booth with the help of the Four Million Smiles "smile ambassadors" during the launch ceremony.

Photo: S2006

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