

The Business Times Online; 27 September 2011; Singapore eyes emerging markets to spur growth

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Hng Kiang says emerging markets are large, diverse, and exciting
By CHUANG PECK MING

SINGAPORE'S economic success has always rested on its business ties with developed countries and neighbours in the region.

But now, Singapore is also turning to the emerging markets, says Trade and Industry Minister Lim Hng Kiang.

However, one thing will remain the same, even as Singapore searches for new markets - it must continue to make itself relevant and useful to others, Mr Lim said yesterday in his welcome address at the Russia-Singapore Business Forum (RSBF).

The three-day forum, which kicked off on Sunday, is being held at the Marina Bay Sands Convention Centre.

Singapore is a tiny country, while Russia is big. Yet they have come together to stage a business event that's into its sixth successful year, Mr Lim noted.

The latest forum has drawn 600 delegates from Russia, the Commonwealth of Independent States, Singapore, and the rest of Asia.

'I believe that the RSBF, and indeed your presence here today, would not be happening if Russia does not see value in Singapore,' Mr Lim told the delegates. 'This seemingly odd pairing would not materialise if Singapore were not creating value for Russia and Russian companies.'

He stressed that creating value will be a priority for Singapore. 'As a small city-state with no natural resources, we know that Singapore needs to constantly evolve, innovate, and reinvent ourselves to remain relevant and useful to the rest of the world.' Mr Lim said the emerging markets, which include Russia, Latin America, the Middle East, and south Asia, are large, diverse, and exciting.

'There is a lot of room for our ties to grow with these markets - and I am pleased that we are making steady progress.'

He said Singapore companies now have a presence in emerging markets like Brazil, India, Nigeria, Saudi Arabia, and Russia.

Many companies from emerging countries are also starting to set up shop in Singapore, or get listed on the Singapore Exchange, to reach out to the rest of the region, Mr Lim said. And he encouraged more to come.

In his keynote address, Herman Gref, chairman and chief executive of Sberbank, the largest bank in eastern Europe, listed five reasons why Singapore is an economic success: its pragmatism; its sustained efforts in adopting global best practices; its openness; its respect for business; and its leadership.

Mr Gref, who was Russia's minister of economic development and trade from 2000 to 2007, said Singapore is a model that's worthy of following for other emerging countries.

In a panel discussion that spotlighted key emerging markets, Minister of State for Trade and Industry Lee Yi Shyan said despite the 'grim' condition of the global economy, growth in emerging Asia continues to be driven by strong savings and spendings.

Agreeing with fellow panellist Xu Sitao, chief representative of the Economist Group, China, he said countries like China still have a lot of leeway in adjusting policies to tackle an economic crisis, if it comes. But Mr Lee didn't think Asia could decouple itself from crisis-hit Europe and the United States, which remain big markets for countries like Singapore. 'If consumption slows there, Singapore will suffer,' he said. 'The immediate crisis will slow our growth.'