

Summary of Recommendations

Culture

1. Develop Entrepreneurship education as a non-examinable, co-curricular enrichment activity in schools
2. Source for a broad range of programmes at student and adult level
3. Incorporate business projects in school curriculum
4. Include entrepreneurship education in the assessment of school rankings
5. Improve outreach by delivering such programmes through grassroots organisations such as the National Youth Council and Community Development Councils
6. Set up a non-profit Centre to promote programmes
7. Develop a world class Entrepreneurship programme at the tertiary level
8. Adopt management policies in our universities to encourage commercialisation of Intellectual Property (IP)
9. Increase Capability of Executives and Professionals to Manage International Operations

Capabilities

Individual level

1. Allow private public sector co-sponsorship so that scholars can discharge their bond in Singapore-based companies
2. Expose scholars to risk taking and enterprise by allowing first two years of bond to be served in start-up or SME
3. Check against rapid increase of government scholarships and encourage government agencies to source for talent in the market place
4. Attract Global Entrepreneurial Executives to Singapore

Industry level

1. Foster the development of industry clusters when venturing overseas
2. Raise the profile of Local Industry Upgrading Programme and expand it to promote globalisation

Conditions

Regulatory Landscape

1. Conduct a comprehensive licence-by-licence review
2. Impose a sunset rule on all licences
3. Set up a high-level private-public sector panel to review the licences
4. Reset all fees and charges to reflect cost recovery
5. Ensure adequate budget for self-financing agencies which volunteer to reduce their fees
6. Outsource licensing functions to the private sector through competitive tender
7. Institutionalise the Pro-Enterprise Panel

Government in Business

1. Enact a generic competition law
2. GLCs established and maintained only for strategic purposes such as to manage critical resources, achieve public policy objectives, or develop new growth engines
3. Ensure that GLCs are commercially run and eschew national service by GLCs
4. Review constantly the stable of GLCs and divest non-strategic ones
5. Encourage a culture of partnership between GLCs, MNCs, SMEs and other companies in the private sector
6. Temasek Holdings (TH) to focus their GLCs to internationalising their core businesses
7. TH to explore various ways of divestment such as management and leveraged buyouts
8. TH to constantly review its GLCs to rationalise, consolidate or divest
9. Attract world class talent into GLCs
10. TH to limit investment in new businesses to those with potential to internationalise
11. Ministries and Statutory Boards must not set up enterprises to provide services that the private sector can provide
12. M&SBs must not corporatise or privatise regulatory functions
13. Statutory Boards(SBs) to consciously divest enterprises with proactive plans for private sector to take over
14. Conduct mandatory periodic housekeeping of enterprises set up by Ministries and Statutory Boards
15. Avoid allegations of conflict of interest by ensuring the enterprises do not utilise the

name of SBs and that their board of directors is independent

16. No best-of-both-worlds deals where the enterprises divested by Ministries and Statutory Boards enjoy a moratorium whilst competing in the market
17. Outsource more Government functions to the private sector
18. Allow suppliers to retain IP arising from Government projects
19. Government to provide test beds for SMEs' products and services whilst maintaining principles of openness, non-discrimination and value for money

Connections

1. Position IE Singapore as the champion of our internationalisation effort
2. Focus IE Singapore ? efforts on certain industry clusters and pioneer enterprises
3. Grant pioneer status to most promising enterprises, which will be selected by a private sector panel
4. Devise simple and effective performance indicators for IE Singapore
5. Institutionalise the Singapore Overseas Network initiated by the ERC
6. Relax criteria for valued employees of Singapore-based enterprises to obtain Permanent Resident status
7. Take a holistic approach in developing a global brand name for Singapore
8. Establish a network of Double Taxation Agreements
9. Continue to push ahead with Free Trade Agreements and establish a robust industry consultation process

Capital

1. Support and facilitate the formation of a private equity exchange
2. Allow losses from investments in qualified start-ups to be tax-deductible
3. Implement an equity financing scheme equivalent to the Start-ups Enterprise Development Scheme to support broad based enterprises
4. Encourage cash-flow financing
5. Encourage financing using intellectual property as collateral by waiving for 5 years taxes on profits arising from such financing
6. Study feasibility of a Technology Credit Guarantee Fund to facilitate access to bank loans
7. Review lending rates and criteria for the Regionalisation Finance Scheme to ensure it is relevant
8. Implement hybrid debt-equity financing scheme to support emerging enterprises to grow, expand or internationalise, either organically or through acquisition
9. Open up government financing options through other financial instruments
10. Free up CPF that is above a pre-determined threshold sufficient to meet the basic retirement needs of members
11. Allow HDB flats to be re-mortgaged or sub-let under certain conditions
12. Waive taxation on income remitted from abroad

Catalysts

1. Incentivize private equity funds which help Singapore-based companies grow, expand or internationalise
2. Waive taxation for qualifying start-ups for 5 years
3. Waive all estate duties
4. Defer taxation for 2 years on income arising from Singapore operations if foreign subsidiaries are making losses in their initial years of operations
5. Expand the list of expenditure items eligible for double tax deduction
6. Encourage Singapore-based enterprises to invest in branding and support their efforts to profile their brands internationally
7. For start-ups, impute tax liability on stock options only when gains are realisable, or seven years from time of exercise whichever is earlier
8. For start-ups, tax gains on stock options at a rate lower than the personal income tax rate if the underlying shares are sold more than 1 year after date of exercise
9. Streamline incentives for enterprises

Rounding up

1. Appoint a single dedicated agency to co-ordinate efforts to develop entrepreneurship and internationalisation headed by an individual responsible to co-ordinate and drive entrepreneurship development and internationalisation in Singapore
2. Monitor results constantly and have clear outcome indicators
3. Encourage enterprise philanthropy