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A new agenda for India and Singapore

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The city-state, an evolved financial centre with exemplary urban planning, can serve India's investment and knowledge needs

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India's diplomatic ties with Singapore date back a little over 50 years. This also coincides with the celebration of 50 years of Singapore as an independent nation.

It has been a remarkable partnership: India and Indians are deeply lodged in Singapore's DNA. And over this period Singapore has become India's "best friend" in the South East Asian region. The level of collaboration has steadily grown. Common economic and security interests are just two key examples. The question is: Where to, next? Is bilateral partnership on a plateau or is there a new agenda ahead?

From here on

Can Singapore, a dot in the comity of nations in terms of size and population, and India, with 1.2 billion people, develop together and take their ties to another level? The answer is a definite 'yes'. Let's start with economic issues.

First and foremost, the bilateral CECA (the Comprehensive Economic Cooperation Agreement) was a landmark in India's trade and investment relationships worldwide, reflecting an FTA-like approach between the two countries. But, since signing CECA several years ago, there has been little movement forward. The CECA was to have been reviewed but this exercise has yet to be completed. With all the goodwill which exists, CECA's review must be completed and CECA 2 put in place by March

2017. It will give a further fillip to trade and investment.

Second, Singapore was a key bridge to the India-Asean FTA. In fact, Singapore has been instrumental in bringing India and Asean closer. Prime Minister Narendra Modi has given priority to the “Act East” policy but the multiple pending issues between Asean and India need to be resolved. Singapore has a role to play here.

Business friendly approach

Third, Singapore is very high in the world rankings as a nation where it is truly easy to do business. Transparency, using information technology, is the order of the day. For example, a new company can be registered online within a day. For India’s Prime Minister and the Government, “ease of doing business” is a major priority to promote investment, especially FDI. There is no better country than Singapore to assist India to bring its ranking within the top 50.

Fourth, an unglamorous area of cooperation is ‘accreditation’. In today’s world, every organisation needs to maintain high standards. And there are expert agencies that carry out the work of accreditation. Singapore is a centre of reputable accreditation agencies, available to assess and accredit Indian organisations, including schools, colleges and hospitals. This work will enable India to raise

standards and enhance its global credibility and image.

Fifth, commercial disputes are unavoidable. In the past, the practice has been to go for ‘arbitration’ to Paris, London or elsewhere in the West. But, over time, Singapore has earned respect for its arbitration services. It is able to access the finest experts. This is an indispensable area of collaboration bilaterally and a great opportunity for Indian entities to use Singapore’s capability.

Urban planning lessons

Sixth, when the chief minister of Andhra Pradesh, Chandrababu Naidu, wanted a plan to build a new capital for his State, he turned inevitably to Singapore which not only took on and completed the assignment in record time but also appointed a special envoy to Andhra Pradesh, Gopinath Pillai, to monitor the work. The city-state of Singapore is seen as a role model for urban planning, management and development. The experience of Andhra Pradesh in developing Amaravati (the new capital), can be replicated in other States, retaining indigenous culture, practices and systems. This is a huge area of future collaboration.

Seventh, defence collaboration is well established between the armed services. Linkages are being built in the area of defence industries. With India’s enormous defence budget and equipment and services acquisition programme, there is clear potential for

expanding the defence partnership bilaterally, both government to government and business to business.

Eighth, Singapore has clean air and a healthy environment, which stand in contrast to India. The “do’s and don’ts” to reduce pollution levels and create a healthy environment for all people, especially children, call for widespread application of clean energy and new technologies. India can only gain from a strong environmental partnership.

Ninth, much is written about connecting North-East India to South-East Asia but the real gain would be to physically and virtually connect North-East India to Singapore, and vice versa. This would be a huge plus for the North-East. A Singapore-North-East economic corridor is a project waiting to happen.

Tenth, Prime Minister Narendra Modi has rightly on FDI to aid economic recovery. This is showing results. Singapore is a major source of FDI not only from Singapore entities but also from overseas companies with regional headquarters in Singapore. Two agencies of the Singapore government, Government Investment Corporation (GIC) and Temasek, are investing in India but can do much more. Focusing on Singapore, therefore, is a priority for India to access FDI.

Eleventh, the capital market and raising of funds is important to a country, its economy and industry. In the past, Indian corporates have looked to listing on the New York Stock Exchange, Nasdaq or the London

Stock Exchange to access global funds. Gradually, the Singapore Stock Exchange has evolved and become a place for corporates to “list” and raise funds. This, in fact, is in line with accessing FDI and foreign institutional funds from Singapore. It is an additional dimension to India’s efforts to access investment for growth. Therefore, there are at least 11 areas of potential economic action, apart from non-economic areas for major collaboration.

The writer is a member of the India-Singapore Strategic Dialogue and former DG, CII. Read the second part of the story [here](#)

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