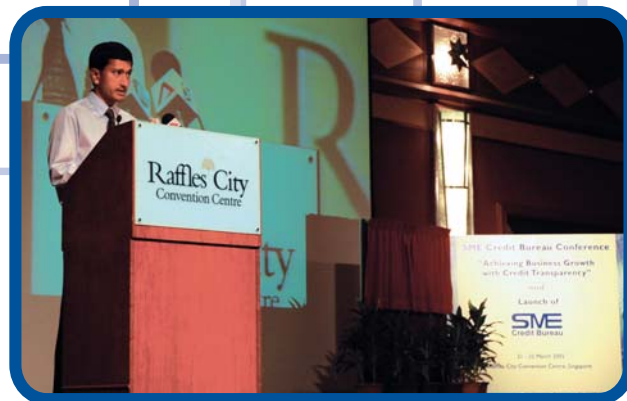




Our distinguished speakers (L-R) Mr. Loh Koh Choy, Mr. Joachim Bartels, Mr. Roger Vandomme, Mr. William Lim & Ms. Maisie Chan



Mr. William Lim delivering his welcome address



Dr. Vivian Balakrishnan delivering his opening address

The sails of the much-awaited credit platform for Singapore's small and medium enterprises - the SME Credit Bureau - set off in March.

Launched on the 21st of March, 2005, the SME Credit Bureau was officially kicked-off by Dr. Vivian Balakrishnan, Minister for Community Development, Youth & Sports, and Senior Minister of State for Trade and Industry. The inauguration, described by Mr. Terence Kok, Senior Credit & Treasury Manager, Asia Pacific for Future Electronics as "definitely a positive move for the SMEs and the lending institutions as well" garnered resounding response from active and prominent business figures representing various facets of the local business realm. Representatives from the community of small and medium enterprises also turned up to witness the event and gain further insights to this potentially powerful business tool.

General Manager of Solé Digital, an SME in the digital advertising field, Ms. Vivian Yeung, was present at the scene and said that the conference had "provided me a lot on the perspective on the other side of the fence...and I have an idea of what the criteria is, from a financial institution perspective, on what they need, what they require, in terms of materials, and how they evaluate different, say, proposals or propositions for credit facilities for SMEs."

Co-organized by Association for Small and Medium Enterprises (ASME), Spring Singapore and Singapore Business Federation (SBF) and supported by Singapore International Chamber of Commerce (SICC), this pro-enterprise initiative is an undertaking of Infocredit D&B. The entrance of this SME Credit Bureau into Singapore's business scene will mean that local SMEs can now gain access to a national database of credit-related information, thus giving them easier access to financing.

"The information will be more sufficient and systematic, thus allowing banks to process credit applications faster", said Mr. Thomas Low, Business Head for Enterprise Banking of OCBC Bank.

Beyond easier access to financing, SMEs can also adopt this database by incorporating it into their daily credit protocols when granting credit to trade clients, thus minimizing the risk of defaults. Approximately 128,000 SMEs will stand to benefit from this credit platform.

SMEs play an integral role in Singapore's economy, making up 90 per cent of the total number of establishments here, employing half of the workforce, and generating 30 per cent of the country's gross domestic product. However, due to their size and limited access to resources, they face several inherent challenges, the topmost being finance.

For Mr. Ong Teck Soon, the CEO of Sesami, a locally-established SME of 5 years which has begun to reap profits since last year, he hopes that banks, other than assessing the books of the borrower, can also apply the information compiled by the SME Credit Bureau to better understand the potential of the borrower, when conducting

their credit evaluation.

Nevertheless, the SME Credit Bureau, which aims to secure at least 2,000 SME members within its first operational year, is perceived as a valuable commercial vehicle that can well result in a significant economic boost, given that nine in ten companies in Singapore are SMEs.

"The fact that this has been championed by the ASME, itself, is proof that the SMEs believe that this is a positive step that will enhance their businesses. And I think it will give our SMEs good standing, especially as they attempt to regionalize and internationalize", said Dr. Vivian Balakrishnan.

Indeed, with the SME Credit Bureau in place, SMEs in Singapore can now, not only, look forward to getting, possibly, more financing, it can also help them link to potential global business partners and tap into global markets. The operating platform of the SME Credit Bureau has been designed to exploit the database of credit-related information and assign credit risk scores to each and every SME. Needless to say, companies rated positively will stand a better chance of securing loan facilities, thus realizing their expansion plans. Similarly, SMEs, given favourable ratings, will be viewed in a better light by overseas corporations seeking to form ventures with firms in Singapore.

"Big companies or even small companies, which would like or are interested or attempt to invest in Singapore, could have, today, the same behaviour as banks - very cautious or reluctant because of the lack of information. Now that this information will be available in a consistent way, on a format that they are comfortable with, this will make them feel more secure in investing in Singapore", reinforced Mr. Roger VanDomme, Director of International Analytics for Asia, Canada and Latin America for Dun & Bradstreet in Canada, and one of our distinguished speakers at the conference.

Since the launch of the SME Credit Bureau, both big corporations and SMEs have envisaged how this could be employed to enhance their businesses further. The SME Credit Bureau offers, clearly, a multitude of possibilities for the local business community, be it for business growth or for credit assessment. With the SME Credit Bureau, doing business in Singapore will be more transparent than ever before.



Token of appreciation. (L-R) Mr. Ed Chong, Mr. Png Cheong Boon, Dr. Vivian Balakrishnan, Mr. Kevin Koo & Mr. Lawrence Leow.



Networking



The participants @work

Comments:

"This is obviously very valuable for us to be able to access more information on SMEs and, ultimately, get the right picture of them. I believe this will be of great value to everyone and will facilitate trade among companies and among the SMEs. As a credit insurance company, we will finally be playing our role to facilitate trade credit among companies and, especially the SMEs."

Mr. Jerome de Cherisey
Regional Risk Manager
Euler Hermes Credit
Insurance Agency (S) Pte Ltd

"I would see it as another very good tool. It is a step forward for AR management, in my point of view, and also for SMEs when it comes to requesting for loans."

Ms. Evelyn Seah
Accountant
Mold-Masters Singapore Pte Ltd

"It provides an avenue for non-bank companies to tap on to find out the creditability of an SME."

Mr. Terence Kok
Senior Credit & Treasury Manager, Asia Pacific
Future Electronics Inc (Distribution) Pte Ltd