

14 February 2008

(FOR IMMEDIATE RELEASE)

**SINGAPORE LAUNCHES INTERNATIONAL ORGANISATIONS
PROGRAMME OFFICE**

International Organisations (IO) Programme Office will boost Singapore's efforts to develop a premier international hub for non-profit organisations

- IO Programme Office is a multi-agency team which will engage International Organisations seeking to set up a regional base in Singapore
- IO Programme Office to administer a new tax incentive for non-profit IOs
- Sector is expected to generate 800 jobs by 2010
- Initiatives in the pipeline include space for IO clusters and an international centre for non-profit management

The International Organisations (IO) Programme Office was officially launched today as a multi-agency one-stop solution for International Organisations¹ looking to establish a regional base in Singapore to oversee operations in the region.

Led by the Economic Development Board (EDB) in partnership with the Monetary Authority of Singapore (MAS), the Ministry of Foreign Affairs (MFA) and the Singapore Tourism Board (STB), the IO Programme Office is a concerted government initiative to spearhead the development of the IO sector in Singapore. The office aims to facilitate IOs of a non-profit nature such as inter-governmental organisations, non-governmental organisations and philanthropic organisations in locating their regional headquarters and key activities such as research, training and fund management in Singapore.

The non-profit sector has generated at least S\$30 million in total business spending (TBS) and S\$60 million of value-added (VA) per year over the last three years. It has provided an estimated 120 jobs and about 50,000 visitor nights in 2005 alone. The sector is expected to generate 800 jobs by 2010.

¹ International Organisations include International Governmental Organisations, Social and Environmental Organisations, Philanthropic Foundations, Industry Associations and Corporate Social Responsibility Organisations etc. Please see Annex C for examples.

Since 2005, the number of IOs in Singapore has doubled from 30 to 60. These organisations, which span diverse industries, include Tax Free World Association, International Air Transport Association (IATA), Council for the Advancement and Support of Education (CASE), World Vision International and the WorldWide Fund for Nature (WWF).

Rising Interest in Corporate Social Responsibility and Philanthropy

The set-up of the IO Programme Office is timely as Asia is seeing a trend of rising affluence and growing interest in corporate social responsibility and philanthropy. The growing number of multi-national companies (MNCs) and individuals setting up charitable foundations in Singapore is an indication of this phenomenon. With such IOs setting up here, Singaporeans will be able to choose from a variety of job opportunities within these organisations. With think tanks part of this space, Singaporeans can also look forward to participating in international forums and exchanging ideas with other thought leaders on a spectrum of global issues.

Singapore – a strategic location for IOs

Singapore is renowned as a key financial centre and an attractive manufacturing and services location for international companies as well as talent. With over 7,000 MNCs, of which 60 per cent hold their regional functions here, it is a substantial base for IOs looking for collaboration and funding. Singapore serves as a natural location for organisations to engage in regional headquarters functions, host key conferences, research and development activities as well as fund-raising and management. The presence of philanthropic foundations will also boost the growth and vibrancy of the local charitable sector and encourage sharing of best practices.

Initiatives to enhance Singapore's attractiveness

As a demonstration of the commitment to grow the non-profit sector, the Singapore government has made key regulatory changes for the sector during the Budget in 2007.² In addition, there is a new scheme administered by the IO Programme Office to give tax exemption to qualifying non-charitable IOs. Other initiatives being developed include the

² Key regulatory changes include the removal of the 80/20 spending rule to grant all registered charities automatic income tax exemption, the relaxation of the 80/20 fundraising rule on the usage of funds raised by foreign charitable causes through private fundraising, as well as granting individuals and companies double tax deductions for donations to philanthropic grantmaking organisations as long as funds are eventually channelled to registered charities with Institution of a Public Character (IPC) status.

setting up of clusters of international organisations to leverage economies of scale and synergistic collaborations, as well as the creation of an international centre for non-profit management, which will combine aspects of training, research and education.

Expected Contributions to the Singapore Economy

IOs with linkages to industries in Singapore (e.g. industry associations and standards bodies) will raise the international profile of Singapore via training and networking opportunities as well as generate increased activity in services such as logistics and R&D. Standards bodies will also support new industry developments. In addition, conferences and seminars organised by many IOs here will generate spin-offs for the Meetings, Incentives, Conventions and Exhibitions (MICE) sector.

QUOTES

On the launch of the IO programme office, EDB's Assistant Managing Director, New Businesses Group, Mr Kenneth Tan said, "With the set up of the IO Programme Office, we have now taken a whole-of-Government approach to further develop the non-profit sector in Singapore by assisting interested IOs to set up base locally. Asia is developing rapidly and along with this increasing affluence, there is also a rise in social consciousness. People are eager to give back to society and they are keen to partner and contribute to reputable IOs. This is where we feel Singapore can be an attractive base for such IOs in Asia. Coupled with key regulatory changes to ensure a conducive environment for operating IOs, the timing and conditions are hence right for this sector to take-off."

- END -

Annexes:

Annex A – About International Organisations Programme Office

Annex B – IO Programme Office structure

Annex C – Types of International Organisations

ABOUT INTERNATIONAL ORGANISATIONS PROGRAMME OFFICE

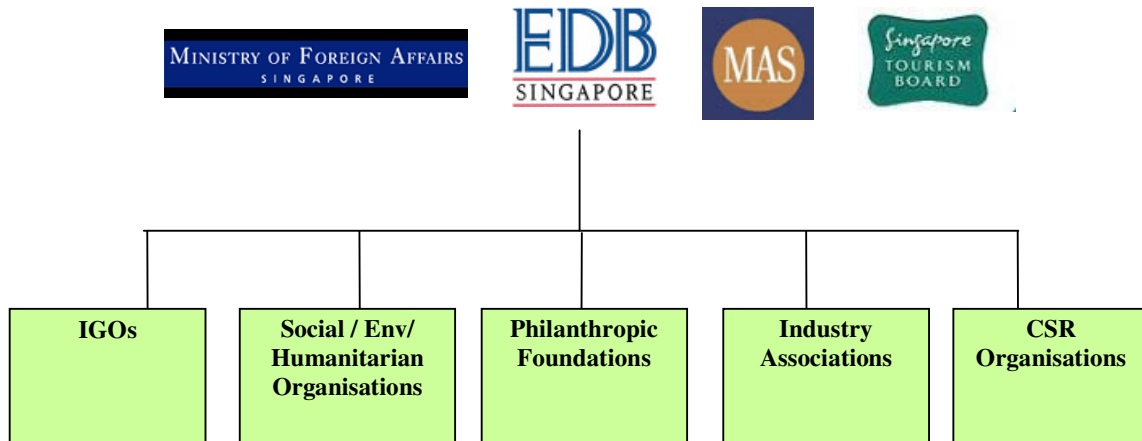
A dedicated International Organisations Programme Office has been established to facilitate interested organisations to set up base in Singapore. The office represents a concerted government initiative which will provide a one-stop solution to organisations wanting to set up a presence in Singapore, as well as continue to facilitate the organisations' growth after they are established.

The IO Programme Office is multi-agency set-up led by the Economic Development Board in partnership with the Monetary Authority of Singapore (MAS), the Ministry of Foreign Affairs (MFA) and the Singapore Tourism Board (STB). It is supported by and works closely with various Ministries and agencies throughout the government.

For more information, please visit the IO programme office website: www.io.sg

INTERNATIONAL ORGANISATIONS PROGRAMME OFFICE STRUCTURE

IO Programme Office
Multi-agency initiative led by EDB



With support from other Ministries and agencies such as:

MCYS, MOF, IRAS, MHA, MOE, MEWR, MinLaw, MTI, IES etc.

TYPES OF INTERNATIONAL ORGANISATIONS

Foundation/Philanthropic Grantmaking Organisations: Institution or associations with a permanent fund dedicated to charitable, educational, religious, research or other benevolent purpose. It is generally supported by gifts and donations from donors.

Industry Associations: Non-profit mutual benefit organisations formed to promote the interests of a particular industry group by providing services for its members, promote education and professional standards, and lobbying governmental agencies.

- a. **American Arbitration Association (AAA)**, the world's largest international commercial arbitral institution, announced a joint venture with the Singapore International Arbitration Centre (SIAC) to set up the International Centre for Dispute Resolution (ICDR) in Singapore by end 2006. The availability of good alternative dispute resolution services will enhance Singapore's position as a HQ location. Further, with the increasing globalisation of world business and trade there is an increased demand for international arbitration that Singapore can play a significant role in.
- b. **International Air Transport Association (IATA)** is an international not-for-profit trade organisation of 269 airlines from 139 countries representing 95% of international air traffic. IATA first began operations here in 1969 and has located its Asia Pacific regional office in Singapore since 1994. It now employs about 60 people here. IATA provides essential air travel systems and services. Its expansion in Asia-Pacific using Singapore as the base boosts Singapore's reputation as a global aviation hub and a leader in the aviation industry. Its office here oversees and coordinates IATA's activities in the region, such as representing the interests of IATA member airlines liaising with airport authorities and providing training etc.
- c. **International Baccalaureate Organisation (IBO)** is an international non-profit education organisation that started the International Baccalaureate programme. Its Asia Pacific office here expanded through the set up of a Teacher Education Study Centre to train local and foreign teachers from the region.

Inter-Governmental Organisations (IGO): Bodies that are based on a formal instrument of agreement between governments of nation states. Typical examples would include the various United Nations agencies and the Asia Pacific Economic Co-operation (APEC).

- a. **World Intellectual Property Organisation (WIPO)**, with 182 countries as members, is dedicated to promoting the use and protection of intellectual property globally. In 2005, WIPO set up its first office outside the US and Europe in Singapore. The Singapore office is to drive intellectual property development and standards into the economic mainstream in Asia thereby helping us profile as a leading intellectual property hub. Further, through its numerous conferences and symposiums held here, it has made Singapore a regional platform for knowledge transfer and development among experts in the intellectual property field.

Social/Humanitarian/Environmental Organisations: Private organisations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services or undertake developmental projects.

- a. **World Vision International (WVI)**, one of the largest NGOs in the world with an operating budget of US\$2.2 billion and employing 20,000 people worldwide chose to set up a regional office and relocated some regional corporate support services including IT, Finance and HR from Bangkok. In response to the Tsunami crisis, WVI set up its Asian Tsunami Response Team (ATRT) in this regional HQ, bringing 35 to 40 experts in relief operations to manage over S\$350 million worth of donations and co-ordinate the regional logistics and project management. The successful logistics operations that are being carried out by the ATRT have highlighted Singapore's capabilities as the logistics and transport hub in Asia.
- b. **WorldWide Fund for Nature (WWF)** one of the world's largest not-for-profit eco-conservation organisations opened its Asia-Pacific office in Singapore in March 2006 and is now fully operational with about ten staff on board. The office oversees and develops all WWF's projects in this region including the organisation of events and programmes and its educational and outreach initiatives. The office and their activities in the region are expected to continue to grow in the next few years.

CSR Organisation: An organisation focused on promoting best practices of Corporate Social Responsibility and Sustainable Business through activities such as consultancy, research, and conferences. CSR Organisations work closely with corporates and NGOs alike.

For media enquiries, please contact:

Ms. Ching Bao Lin
Senior Officer, Communications
Economic Development Board
Tel: (65) 6832-6206
Email: bao_lin_ching@edb.gov.sg