

## MEDIA STATEMENT FOR IMMEDIATE RELEASE

# SBF Welcomes Economic Strategy Review and Calls for Strong Implementation to Support Business Transformation and Keep Singapore Competitive

*The Singapore Business Federation (SBF) welcomes the Economic Strategy Review (ESR) and supports its broad direction to strengthen Singapore's competitiveness, resilience and long-term growth.*

Wednesday, 13 May 2026, 12:00PM SGT [Singapore]

In a world shaped by geopolitical fragmentation, technological disruption, energy volatility and tighter manpower constraints, Singapore must keep refreshing its economic model and sharpening its competitive edge.

SBF supports the ESR's focus on new growth areas, enterprise transformation and workforce adaptation.

Implementation will now be key. Businesses will be looking for clear priorities, practical support and strong execution on the ground. SBF sees four areas as critical.

1. **Preserving cost competitiveness** so Singapore remains an attractive place to invest, expand and anchor higher-value activities.
2. **Making transformation support easier to access** so firms, especially SMEs, can adopt AI, redesign jobs and upgrade capabilities more quickly.
3. **Taking a stronger "Singapore Inc" approach** to help local enterprises scale, build track record and internationalise more effectively.
4. **Keeping Singapore open to foreign manpower** so businesses can plan for growth and workforce needs with confidence.

### Preserving Cost Competitiveness

As firms decide where to put capital, grow operations and place strategic functions, the overall business environment must stay supportive. That means keeping regulatory burdens manageable, maintaining strong infrastructure, and addressing cost pressures.

The same applies to sustainability. SBF supports Singapore's low-carbon transition. But with energy costs already elevated, the carbon tax trajectory must remain calibrated so firms can stay competitive while investing in decarbonisation. This should be backed by deeper industry engagement and co-investment support for energy-intensive sectors, including through platforms such as the Council for a Competitive Climate Transition (C3T).

### Making transformation support easier to access



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Many firms understand they need to adopt AI and other technologies, redesign jobs and upgrade skills. But too often, they face a fragmented landscape of schemes, agencies and processes. If Singapore wants faster transformation, support must be simpler, more joined-up and easier to access.

SBF agrees that Trade Associations and Chambers can play a stronger role in driving AI adoption, especially among SMEs. But AI adoption should not be pursued in isolation. It must go hand in hand with job redesign and skills upgrading so productivity gains translate into stronger business and workforce outcomes.

#### Taking a stronger “Singapore Inc” approach

SBF supports efforts to attract leading global and regional enterprises. At the same time, it is just as important to strengthen the local SME ecosystem around them. Anchor investments should create broader spillovers through supplier development, partnerships and capability upgrading.

Better alignment across public agencies, government-linked platforms and Temasek portfolio companies can create more opportunities for Singapore firms to validate solutions, plug into supply chains and build track record. Public procurement and research funding should also be used more deliberately to help promising firms scale in areas such as AI, sustainability and advanced solutions.

As firms expand into newer and sometimes higher-risk markets, financing alone is not enough. Companies also need advisory support, business matching and in-market partnerships to help them learn, land and localise. Here, the networks and market presence of Temasek portfolio companies can play a catalytic role in opening doors and de-risking overseas expansion. In an increasingly fragmented and nationalistic trade and investment environment, we need to better leverage our resources, networks and brand equity to “hunt in a pack”.

#### Keeping Singapore Open to Foreign Manpower

Singapore’s openness to global talent remains a key strength. But firms continue to face practical pressures from recent across-the-board levy increases and sector-specific quota constraints. A balanced and predictable approach that supports growth, addresses talent shortages, facilitates capability transfer, strengthens local workforce development and increase local acceptance on the need for foreign manpower augmentation will remain important to business confidence.

Mr Kok Ping Soon, Chief Executive Officer of the Singapore Business Federation, said: “The Economic Strategy Review sets the right direction. The key now is execution. Businesses need confidence that Singapore will remain cost-competitive, open and globally connected. They also need transformation support that is easier to access, better coordinated and backed by a stronger ‘Singapore Inc’ approach. If we get the follow-through right, Singapore can strengthen its resilience, help more local enterprises scale, and remain a trusted, competitive hub for growth.”

SBF stands ready to work with the Government, unions and industry partners to turn the ESR’s recommendations into concrete action for businesses and workers.



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### **About Singapore Business Federation**

Singapore Business Federation (SBF) is the apex business chamber that mobilises the whole of business to magnify a world of opportunities in trade and investment. In an increasingly interconnected and interdependent world, SBF advances Singapore with future-ready businesses and a globally competitive sustainable economy.