

## Businesses welcome Singapore-China 'fast lane'

Stringent requirements and costs may be a deterrent for some companies, but those with pressing reasons for travel will go ahead, say industry groups and businesses

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### Singapore

THE fast lane arrangement between Singapore and China is seen by the business community as a positive move, although they say the inconvenience and costs incurred could be a deterrent for some companies.

However, firms with a pressing need to visit China will go ahead, trade associations and chambers say.

Under the fast lane initiative to be launched on June 8, travel is limited to essential business and official travel, and will cover six Chinese provinces/municipalities for a start.

Travellers will not need to serve a two-week quarantine, but will have to take swab tests in both countries at their own expense. If they test positive for Covid-19, they will also have to pay for their own medical treatment. Other requirements include being sponsored by a company or government agency of the destination country and sticking to a prior-approved itinerary.

Victor Mills, chief executive of the Singapore International Chamber of Commerce (SICC), does not expect most will avail themselves of the fast lane arrangement, citing the stringent requirements.

In addition, the lack of travel coverage for Covid-19 treatment by insurers could mean additional costs. "Cost is an issue for everybody, especially right now, given economic dislocation and that everyone is looking at how to stay afloat," he added.

A check with Great Eastern and NTUC Income showed that travel insurance bought at this point would not cover travellers for medical expenses incurred from contracting the virus as it is deemed a known event. In addition, Singapore's government advised travellers to defer non-essential overseas travel back in March.

Nonetheless, "for the business community, (the fast lane) is very much a confidence-building measure, and very much welcomed from that perspective", Mr Mills added, noting that it not only enables travel, but enables safe travel.

Subhas Menon, director-general of the Association of Asia Pacific Airlines (AAPA), said that the arrangement between the two countries is not a restart of aviation, but "a good step in the right direction". While the requirements for essential travel are onerous, "it is probably the only way to get it started", he said.

Douglas Foo, president of the Singapore Manufacturing Federation, said: "Enterprises that have an urgent need to go will do so, despite the inconveniences."

Aside from giving companies the opportunity to check on their assets in China, meet business partners and protect market share just when competition is likely to be keener than ever, it also gives China-based companies the opportunity to come to Singapore, Mr Foo pointed out.

Singapore Chinese Chamber of Commerce & Industry (SCCCI) president Roland Ng said the initiative enables businessmen and senior management to travel to China to handle business-related matters, such as approving banking transactions, legal paperwork and tender documentation. "All these require physical presence of the decision makers. For other business owners, this fast lane arrangement is helpful in easing supply-chain crunch during this pandemic."

Mr Ng, who is chief executive of crane rental company Tat Hong, said the long-term benefits of the fast lane arrangement outweigh the costs and procedures. In the case of Tat Hong, costs arising from travel to China will be counted as part of business operation expenses.

Meanwhile, Kurt Wee, president of the Association of Small and Medium Enterprises, noted that feedback suggests that Singapore's business community is relatively confident and comfortable with the situation in China, which is an important market for the Republic. "Both countries have brought infection rates

down to a level that is well within control, and are trying to manage the situation such that it doesn't flare up."

Ho Meng Kit, chief executive of the Singapore Business Federation, also welcomed the move, saying that Singapore's business community has substantial business ties in China, and "not everything can be done remotely". For example, some businessmen may need to travel to China to check on investments and production facilities or even to seal deals face-to-face with new partners.

He said that the protocols are practical, since they spare business travellers from having to serve a two-week quarantine.

Chief executive of InsureTech start-up Igloo Wei Zhu shares this sentiment.

While headquartered in Singapore, Igloo has a research-and-development (R&D) centre in Chengdu, where Mr Wei has spent the last two months. Having previously served a mandatory two-week quarantine at a hotel upon arrival in Chengdu, he views the fast lane arrangement as a great improvement over that.

The initiative will also enable him to travel back and forth between the two countries once again, now that border restrictions are being eased for essential travel.

"If (the fast lane arrangement) works and we don't bring additional cases to either country, (I hope) the measure can be expanded to those who need to visit family and friends," he added.

Meanwhile, as countries worldwide eventually ease travel restrictions, guidelines released recently by United Nations aviation agency International Civil Aviation Organization (ICAO) are important as they provide the basis by which countries can implement mutually accepted standards, Mr Menon said.