

GEM 2005 Singapore

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OECD Relevance as Peer Group?

- Culturally dissimilar
- Different drivers
- Better comparisons (but non-participants)
 - ◆ *Hong Kong*
 - ◆ *Taiwan*
 - ◆ *Malaysia*
 - ◆ *China*
 - ◆ *India*
- Greater value in assessing Singapore trends y-o-y

Results Biased by State of Economy?

	GDP Growth Previous Year	Total TER Change
2001	10%	57%
2002	-2%	-11%
2003	4%	-15%
2004	2%	14%
2005	9%	26%

Are indicators of improved entrepreneurial activity in Singapore driven by business confidence & other “feel good” factors rather than intrinsic drivers of entrepreneurship?

What Value Good Institutions?

- Highest ratings for policy support, tax & regulatory environment, government support programs
- Above mean availability of capital
- Missing link is **institutional** financial support
 - ◆ *Business Angel Prevalence Rate up 120% since 2003*
 - ◆ *But VC investments – transactions, amounts & as % of GDP – down 70-80% from 2000 to 2004*
- Singapore institutions are risk averse
- Public market support is found overseas, eg Australia, not at home
- Entrepreneurs need **entrepreneurial backers**, risk capital with staying power