

Circuit Breaker Survey Report

May - June 2020



EUROPEAN CHAMBER OF
COMMERCE (SINGAPORE)



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EXECUTIVE SUMMARY

During the Circuit Breaker, Singapore introduced a number of restrictions in an effort to curb the spread of COVID-19. Organisations scrambled to cope with the changes and individuals suffered health and financial impacts as well.

The 50 European firms surveyed found that certain processes in place for lifting the restrictions to be imprecise, and that a clearer plan to how and when the restrictions will be lifted, would be beneficial to their business operations. The border restrictions are affecting a clear majority of operations negatively, while over half are seeing the measures as threatening to their business models in Singapore.

The operational difficulties in Singapore, as well as worldwide, have led to extensive financial instability and uncertainty. EuroCham has previously raised concerns towards the government and expressed the need of its members to receive a clearer plan on safety measures going forward, a greater need for mobility of people within Singapore as well as across borders to be able to mitigate their difficulties.

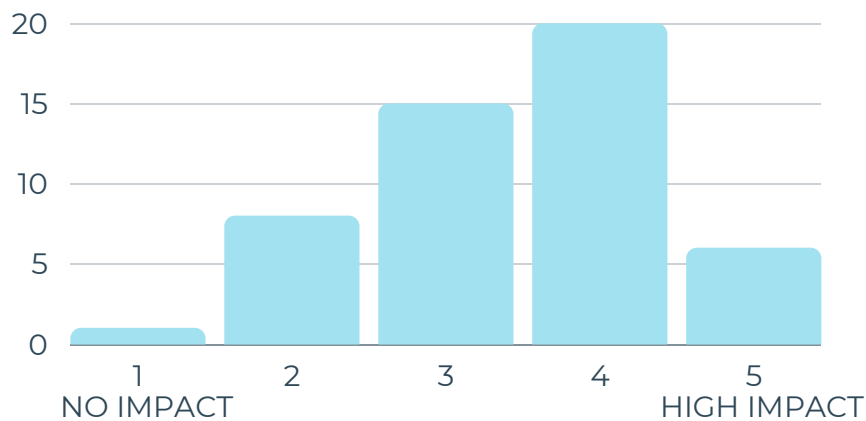
INTRODUCTION

In this survey, the European Chamber of Commerce (Singapore) surveyed 50 European companies operating in Singapore on how they are experiencing the Circuit Breaker measures, along with the plan presented by the Singaporean authorities to reduce these measures as the number of infected persons within Singapore decreased.

Circuit Breaker measures included closure of borders, a tight limit on permitted business activities in Singapore alongside strict regulations of movements for personal activities within Singapore.

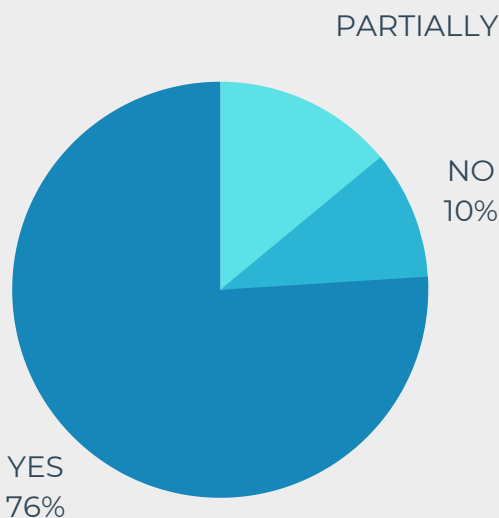
REMOTE WORKING

HOW WOULD YOU RATE THE PSYCHOLOGICAL IMPACT ON YOUR EMPLOYEES DUE TO THE PRESENT PROLONGED REMOTE WORKING CONDITIONS?



Our respondents are reporting a medium to high impact onto their psychological well-being, which may lead to consequences in the longer-term.

DO YOU PLAN TO CONTINUE WORKING REMOTELY OR TO IMPLEMENT REMOTE WORKING EVEN AFTER THE LOCKDOWN?



Most companies are planning to keep remote working for their employees post-restrictions.

FINANCIAL IMPACT

DID YOUR COMPANY HAVE TO LET EMPLOYEES GO OR FREEZE RECRUITMENT?



Almost half of companies surveyed reported having to have let employees go or frozen recruitment, while a positive 56% did not need to do so.

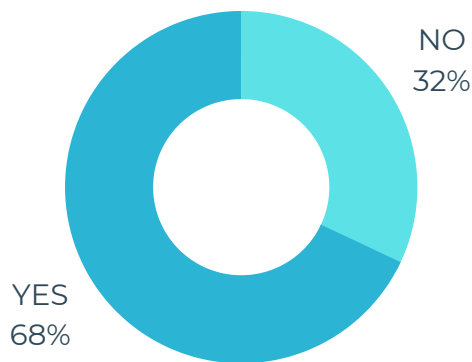
HAVE YOU OR EMPLOYEES IN YOUR COMPANY EXPERIENCED A FINANCIAL SETBACK DURING THIS LOCKDOWN?



Just over half of respondents have experienced, or know a colleague who has experienced financial setbacks during the circuit breaker period.

UNCERTAINTY

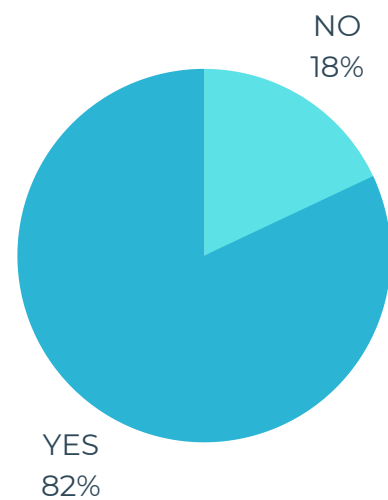
HAVE YOU RECEIVED ANY FINANCIAL OR OTHER HELP FROM THE GOVERNMENT?



A clear majority have received help from the government, either in the form of monetary funding or other help.

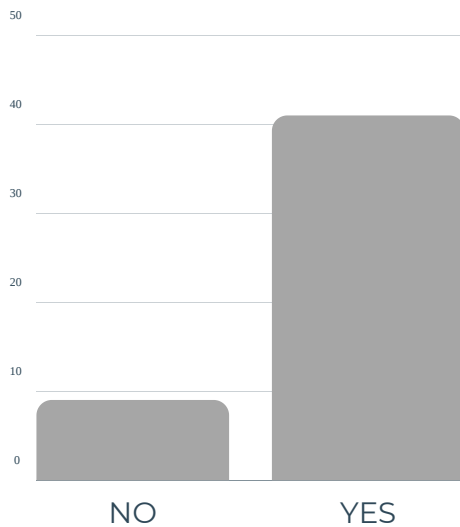
IS THE UNCERTAINTY OF THE CONFINEMENT MEASURES IMPACTING YOUR BUSINESS?

Over 80% are seeing an impact on their business due to the confinement measures in place during the circuit breaker period.



UNCERTAINTY

WOULD YOU BENEFIT FROM A CLEARER PLAN ON HOW AND WHEN THE CONFINEMENT MEASURES WILL BE REDUCED?

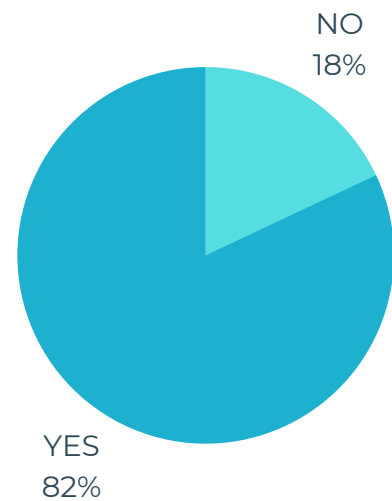


Our respondents expressed that they would benefit from clearer instructions and overview of how and when the limitations will be reduced.

ARE THE BORDER RESTRICTIONS NEGATIVELY IMPACTING YOUR DAILY OPERATIONS?

The border restrictions imposed during the circuit breaker period has negatively impacted the daily operations of the majority of our surveyed companies.

This confirms our hypothesis as the respondents are mainly from European companies with regional responsibilities, operating in Singapore.



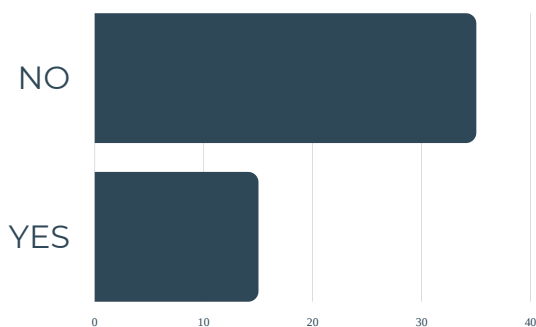
BORDER RESTRICTIONS

DO THE BORDER RESTRICTIONS THREATEN YOUR BUSINESS MODEL IN SINGAPORE?



Just over half of respondents are seeing a potential threat to their current business model in Singapore, but with 44% not being threatened.

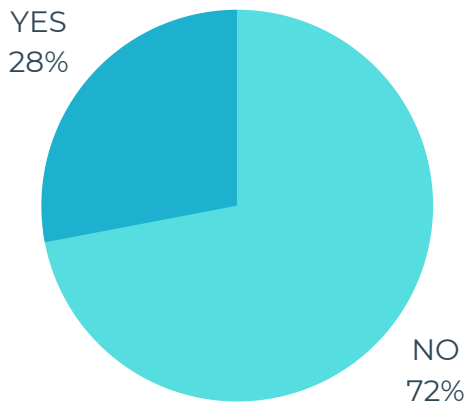
ARE THERE ANY EMPLOYMENT PASS HOLDERS IN YOUR COMPANY STRANDED ABROAD DUE TO THE IMPOSED ENTRY RESTRICTIONS AND BORDER CLOSURES?



Despite the negative impact of border closures, most companies surveyed do not have colleagues stranded abroad, but the issue exists.

BUSINESS PRESSURE

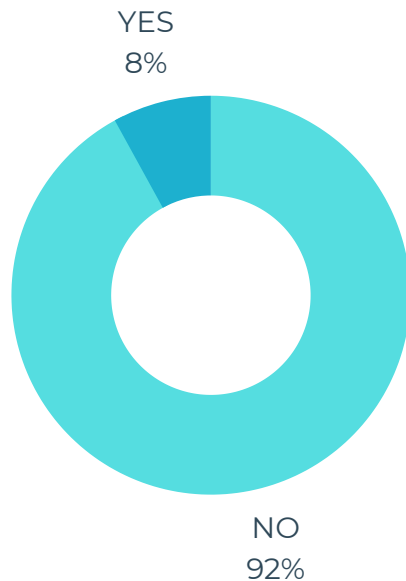
IS THE INABILITY TO RENEW OR ISSUE WORK PASSES HAMPERING YOUR BUSINESS?



Most respondents are not suffering from not being able to renew or issue work passes during this period.

HAVE YOU RECEIVED ANY PRESSURE FROM YOUR EUROPEAN HEADQUARTERS TO SLOW DOWN OR REMOVE YOUR OPERATIONS IN SINGAPORE/ASEAN?

Below 1/10 reported having received pressure from their European HQs to reduce or remove their operations in Singapore and/or ASEAN.



BUSINESS ISSUES & NEEDS

WHAT IS THE MOST PRESSING ISSUE FOR YOU AND YOUR COMPANY?

- 15** Financial setbacks due to revenue loss
- 13** Operational difficulties due to regional/ local restrictions
- 12** Operational difficulties due to worldwide restrictions
- 5** Uncertainty due to external lack of clarity (vagueness in national COVID 19 strategy)
- 3** Financial instability and uncertainty
- 2** Uncertainty due to internal lack of clarity (vagueness in company COVID 19 strategy)

The main issues expressed, surrounded financial setbacks and instability, as well as operational difficulties due to restrictions set both locally and around the globe. To recover from these issues, respondents are concluding that clarity surrounding how and when the restrictions will be changed would be beneficial, as well as increased movement of people within Singapore and across borders.

WHAT DO YOU EXPECT OR URGENTLY NEED FROM THE SINGAPORE GOVERNMENT?

- 34%** Clarity surrounding easing of restrictions and exit strategy
- 22%** Opening of borders
- 20%** Decreased restrictions and increased movement of people in Singapore
- 12%** Nothing - Overall very well handled by Singapore
- 10%** Continued support initiatives by the Singapore authorities
- 10%** Other