

The FTFIC and the Ministry of Trade and Industry's Pro-Enterprise Panel (PEP) to establish the "FTFIC-PEP Fair Tenancy Regulatory Clinic" to assist SME tenants in understanding the new legislation and navigating rental relief offered by the Government and Landlords

- The Fair Tenancy Framework Industry Committee (FTFIC) was formed in April 2020 to address issues between landlords and Small and Medium Enterprises (SME) tenants. The Committee is made up of representation from the Singapore Business Federation Committee (SBF SMEC), Association of Small & Medium Enterprises (ASME), Restaurant Association of Singapore (RAS), Singapore Retailers Association (SRA) and Singapore Tenants United for Fairness (SGTUFF).
- 2. Many SME tenants had been seriously impacted during this Covid-19 period. Since the announcement of the property tax rebates under Budget 2020 in February 2020 and the subsequent enacting of the Covid-19 (Temporary Measures) Act in April 2020, the FTFIC had been actively reaching out to the SME tenants that were severely impacted by the Covid-19 pandemic, to help them access the relief measures available. During these engagements, the FTFIC noted that many SME tenants were unfamiliar with the types of measures available, the pre-requisites, and how they could receive help through their landlords. The SME tenants also iterated that they did not feel confident negotiating with their landlords on an equal footing, if there are disagreements over the disbursement of the rental reliefs.
- 3. In view of this, the FTFIC is partnering the Ministry of Trade and Industry's (MTI) Pro-Enterprise Panel (PEP) to establish the "*FTFIC-PEP Fair Tenancy Regulatory Clinic*" to provide a channel for SME tenants to clarify their doubts regarding the relief measures. The clinics also provide a platform to facilitate discussions among key stakeholders (i.e. landlords and SME tenants), so that they can work together in a fair negotiation process towards a mutually agreeable tenancy arrangement. Where relevant, the FTFIC and the PEP will work with the relevant public agencies and Trade Associations and Chambers (TACs) to resolve complex cases picked

up through this channel. This is also part of the PEP's engagement process to work with TACs to organise pro-enterprise regulatory clinics to help businesses address regulatory issues in a more timely and effective manner. The PEP has organised 34 clinics since the initiative started in March 2019.

- 4. SME tenants who need help with their tenancy issues can register for the clinics via ASME's online form (link: <u>http://www.asme.org.sg/about/</u>). The FTFIC will assess the cases and contact the SME tenants to convene the clinics.
- 5. Senior Minister of State for the Trade and Industry, Mr Chee Hong Tat said, "I am pleased that the FTFIC is partnering the Pro-Enterprise Panel to help SMEs understand and benefit from the rental relief measures. These sessions are also useful to hear feedback and suggestions from business owners, on how landlords and tenants can work together to review the tenancy agreements, based on the principles of fairness, reciprocity and transparency."
- 6. Chairman for the Fair Tenancy Framework Industry Committee, Mr Kurt Wee said, "Over the course of the next few months, we expect to see substantial congestion in terms of businesses applying for and receiving rental rebates, and as the specific mechanism will only be instated at a later date, there could be confusion amongst SMEs regarding rental relief. We hope the clinic would be helpful in resolving their questions as quickly as possible to get them on their feet."

For media enquiries, please contact:

Lee Wan Rong

Senior Executive, Corporate Communications Association of Small & Medium Enterprises DID: 6513 0894 | Email: <u>wanrong@asme.org.sg</u>

Nikki Lim

Executive, Corporate Communications Association of Small & Medium Enterprises DID: 6513 0894 | Email: <u>nikki.lim@asme.org.sg</u>

Joseph Khong

Senior Assistant Director, Corporate Communications Division Ministry of Trade and Industry HP: 9832 0060 | Email: joseph_khong@mti.gov.sg

About FTFIC

The Fair Tenancy Framework Industry Committee (FTFIC) was formed with representation from:

- Singapore Business Federation SME Committee (SBF SMEC)
- Association of Small & Medium Enterprises (ASME)
- Restaurant Association of Singapore (RAS)
- Singapore Retailers Association (SRA)
- Singapore Tenants United for Fairness (SGTUFF)

The committee's role is to propose the adoption of landlord-tenant legislation in Singapore to address the growing imbalance in the relationship between institutional landlords and tenants which has resulted in the aggressive financial engineering and pricing behaviour of institutional landlords that goes against the grain of their tenants' sustainability and incentive to value creation.

About the PEP

The Pro-Enterprise Panel (PEP) was established in August 2000 to serve as an internal advocate for businesses within the government with the aim of creating a more pro-enterprise environment. The PEP gathers feedback on regulatory concerns from businesses and works with businesses and agencies to address their feedback with timely, effective and practical solutions. Since its inception, the PEP has reviewed over 2,000 suggestions from businesses, of which close to 60% have been accepted for implementation. You can visit the PEP website for more information. (Link: https://www.mti.gov.sg/ProEnterprisePanel/Pages/default.aspx)