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Understanding the Endurance of the Regulatory Environment in Singapore

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NZAI working paper
2024/04



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About this report

The research for this report on Singapore's regulatory environment was supported by a grant from the Nicholas Tarling Charitable Trust. The author is grateful for this support. He also acknowledges research assistance by Riley Wang, PhD candidate in International Business, University of Auckland Business School.

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To cite this report: Yan, J. 'Understanding the Endurance of the Regulatory Environment in Singapore.' NZAI Working Paper, 2024-04. Auckland: New Zealand Asia Institute.

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Summary

This study examines the endurance of Singapore's regulatory environment, with a specific focus on its tourism sector. The competitiveness of Singapore's tourism industry can be largely attributed to a robust regulatory environment that is committed to high standards of quality, safety, and sustainability. In 2023, a year when most countries were still navigating their way through post-pandemic economic recoveries, Singapore succeeded in attracting an impressive 13.6 million visitors. This led to tourism receipts estimated to be between \$24.5 billion and \$26.0 billion. This achievement underscores the effectiveness of Singapore's regulatory framework, which includes laws, regulations, policies, and other formal rules, in creating a supportive and conducive environment for tourism.

At the core of Singapore's regulatory strategy is the commitment to uphold and enforce high standards throughout the tourism sector. This framework includes regulations that govern safety, environmental sustainability, and the quality of tourism services. These measures are instrumental in maintaining Singapore's reputation as a clean, green, and safe destination, appealing to tourists worldwide. The regulatory environment not only enhances the experiences of visitors but also instills confidence among tourists regarding their safety and the sustainability of the attractions they visit.

For instance, safety standards for environmental regulations are rigorously enforced to ensure optimal levels of public safety and cleanliness. Concurrently, initiatives aimed at integrating technology for tourism, such as the implementation of smart, digital-based solutions, exemplify Singapore's progressive approach to enhancing the tourism experience. This balance between regulation and innovation significantly bolsters the appeal and competitiveness of Singapore's tourism industry.

On the other hand, this study also recognizes and addresses the complexities of maintaining this highly institutionalized regulatory environment. Primarily, Singapore has been persistently revising its policies to ensure they stimulate innovation while accommodating emerging business models and market needs. This dynamic regulatory landscape, as seen in proactive updates and collaborations between the public and private sectors, is vital for fostering growth and upholding high-quality standards in tourism.

Lastly, Singapore's regulatory environment also evolves with a focus on integrating technological innovation. This strategic direction is aimed at achieving sustainable growth, enhanced resilience, and inclusivity, thereby ensuring the ongoing prosperity and stability of Singapore's tourism industry. By adeptly balancing regulatory rigor with flexibility and innovation, Singapore establishes a global benchmark for tourism regulation, ensuring its enduring success and stability as a premier destination.

Singapore's tourism industry and the theoretical foundation of the study

The tourism industry in Singapore

Singapore is recognized as one of the wealthiest nations globally in terms of GDP per capita, serving as a prime investment location and a leading financial hub in the global economy. The tourism sector holds a crucial role in Singapore's economy, drawing visitors worldwide due to its rich cultural heritage, modern entertainment, and safety. For instance, in 2023, a year when most countries were still in the phase of post-COVID recovery, Singapore welcomed 13.6 million visitors. The tourism receipts for that year are estimated to range between \$24.5 billion and \$26.0 billion (Singapore Tourism Board, 2024a). Researchers have attributed Singapore's success in the tourism industry largely to its well-established regulatory environment (e.g., Henderson, 2012; Ooi & Tarulevicz, 2019). The institutions within this environment, defined as the authorized guidelines for social actions such as rules and norms, can be effectively created, maintained, improved, and most importantly, implemented (understood, accepted, and adhered to by the public) (Scott, 2014). Therefore, Singapore's institutional environment presents a valuable research context, given its effectiveness in upholding high standards in tourism services, safety, and innovation, which has significantly contributed to the nation's economic development.

The regulatory framework of Singapore's tourism industry is designed to uphold high standards of quality, safety, and sustainability. At the heart of this framework is the Singapore Tourism Board (STB), which is dedicated to maintaining the regulatory environment for hotels, travel agents, and tourist guides through licensing (Singapore Tourism Board, 2024b). The STB ensures compliance with related Acts and Regulations and conducts policy and regulatory reviews. In addition, other governmental agencies, such as the Urban Redevelopment Authority (URA), National Environment Agency (NEA), and the Singapore Police Force (SPF), play significant roles in support. The URA underpins land-use planning and construction, including the preservation of heritage sites and the management of urban spaces to enhance the visitor experience. The NEA ensures environmental sustainability, which is crucial for maintaining Singapore's clean and green image, thereby significantly boosting tourist attraction. Meanwhile, the SPF is responsible for the licensing and regulation of public entertainment and meetings under the Public Entertainments Act. These agencies, in conjunction with the STB, form a cohesive unit that ensures the maintenance of Singapore's reputation as a top-tier tourism destination, renowned for its reliability, innovation, and excellence in service.

Singapore's principal tourism regulatory agencies govern based on a set of regulations that span safety, environmental, cultural, and licensing concerns. For instance, to prioritize visitor safety, the Singapore Building and Construction Authority (BCA) published the Amusement Rides Safety Act (ARSA) to ensure that all amusement rides meet stringent safety standards (Building and Construction Authority, 2021). Regular audits, safety drills, and compliance checks are conducted to ensure adherence to the highest safety protocols for tourists, thereby instilling confidence among tourists regarding their safety. Other regulations, such as the Environmental Public Health Act, address measures for waste management, public cleanliness, and food safety; the Public Entertainments Act governs events and activities that might attract large crowds, ensuring that adequate safety measures are in place; Singapore's commitment to environmental sustainability in the tourism sector is supported by a broader framework of regulations and initiatives.

By adhering to these regulations, Singapore continually enhances its tourism offerings, ensuring that they are safe, sustainable, and aligned with global best practices. This regulatory environment provides a harmonious experience for global tourists, appealing to them to continue visiting Singapore and ensuring the endurance of the Singapore tourism industry.

Theoretical foundation of the study: institutional endurance

The construction of society and its durability represent enduring topics that scholars strive to elucidate (e.g., Berger & Luckmann, 1966; Meyer & Scott, 1983; Thornton et al., 2012). Literature concurs that institutionalized systems of meaning can exert influence on both organizational and individual behaviors (Glynn & D’Aunno, 2023). However, there is no consensus regarding the durability of institutions. A widely accepted explanation for this durability posits that individuals conform to taken-for-granted beliefs, thereby reinforcing these beliefs through their behaviors (Zucker, 1977; Meyer & Rowan, 1977).

In line with this inquiry, this study adopts an institutional endurance perspective to understand the regulatory institutions in Singapore (Weik, 2019). Institutional endurance refers to an institutional system’s capacity to self-reproduce and it can be updated only if it is required (e.g., new regulatory or policy making to accommodate technological advancement and social change). Under this perspective, the rules of the game are perceived as the “processes that establish regimes of valuation through shared rules and meanings, without necessitating repeated collective mobilization or authoritative intervention” (Weik, 2019, p. 321). This perspective emphasizes that actors are effects rather than drivers of processes, hence, once institutions are established or modified, these processual arrangements can then self-generate, self-perpetuate, differentiate, and achieve a state of endurance.

Two core mechanisms are employed to observe the endurance of institutions: harmony and rhythms. Harmony is “directed towards the same goals, producing synergies, while conflicting goals produce none” (Weik, 2022, p. 81). Rhythms manage the flows of harmony, generating pleasure, which can motivate individuals to conform to or maintain the institutions. This dynamic interaction between institutions and actors can initiate reproduction processes shared with the same self-identity, constructing a homeostatic system that enables the institutional system to self-reproduce. Given that Singapore is a highly institutionalized society, the institutional endurance perspective serves as an optimal theoretical framework to comprehend how the “rules of the game” have underpinned the development of its tourism industry.

The dynamics among regulations, tourists, and the development of Singapore's tourism industry

Regulatory implementation

Singapore's emphasis on cleanliness and environmental sustainability significantly enhances the visitor experience, positioning the city-state as a globally recognized Garden City. This designation not only highlights Singapore's ambition to be a leading metropolis of greenery and lushness but also mirrors its commitment to sustainable tourism. The comprehensive public cleanliness policies and green practices go beyond mere aesthetic maintenance; they symbolize Singapore's pledge to a sustainable and pollution-free environment. For instance, hotels such as the JW Marriott South Beach and Parkroyal Collection Pickering have focused on efficient resource use and minimizing environmental footprints, aligning with the Singapore Green Plan 2030.

Transitioning from cleanliness to safety, Singapore, acknowledged as the third safest city globally, implements comprehensive safety protocols and efficient law enforcement to cultivate a secure environment. This is crucial for attracting international tourists. For example, tourists can freely roam—even in bustling areas like Orchard Road and Clarke Quay during the night—without concerns (Lim & Ang, 2022). This sense of safety is fundamental, offering peace of mind and encouraging tourists to confidently explore the city's diverse offerings, from its vibrant markets to tranquil parklands.

Reflecting the city's high regulatory standards, Singapore's public transportation system is designed to maximize visitor convenience and comfort. The efficiency, cleanliness, and reliability of the transit network exemplify the city's commitment to delivering an exceptional travel experience. For example, actions such as smoking, eating, drinking, trespassing, and misusing emergency equipment are not only illegal but may also result in imprisonment for visitors (Kristensen, 2015). Such stringent regulations facilitate easy access to Singapore's varied attractions and cultural sites, thereby enriching the tourism experience.

Institutional endurance for tourist management

While Singapore's tourism industry draws tourists from around the globe, the surge of visitors presents challenges that could potentially disrupt local regulatory institutions. In response, Singapore, globally known for its stringent legal environment, enforces a comprehensive array of laws. These cover a broad area of offenses, including vandalism, drug possession, smuggling contraband, and littering. Such regulations are crucial in preserving local social order and ensuring the safety and security for which Singapore is known for. Here, the strict regulations serve as mechanisms that maintain harmony between tourists and local institutions, enabling them to fit together effectively (cf. Weik, 2022).

A prime example of this approach is the handling of vandalism, which carries severe penalties, including caning. This method of punishment attracted international attention during the 1994 Michael Fay incident, where an American teenager faced caning for vandalism (Branigin, 1994). This case underscored the severe consequences of defacing property in Singapore and served as a stringent warning to visitors about the seriousness with which such offenses are treated.

Similarly, drug offenses in Singapore are met with some of the world's most severe penalties, illustrating the country's zero-tolerance stance towards illegal drug use and trafficking. Tourists

caught with drugs, even in minor quantities, risk facing harsh punishments, including long-term imprisonment or the death penalty for more serious offenses. For instance, Singapore executed a drug trafficker of Indian origin by hanging after he was found importing 1 kg of cannabis (The Times of India, 2023).

These regulations also play a vital role in upholding Singapore's public cleanliness and health, helping to mitigate the potential challenges posed by tourists to the local environment. For example, two Germans were subjected to caning and imprisonment for their involvement in train graffiti (Shen, 2015). In 2023 alone, nearly 900 warnings and fines were issued for table littering offenses, which include failing to return used crockery and trays at hawker centers, food courts, and coffee shops (Ting, 2023).

Institutional endurance for industry growth

In addition to the potential challenges that directly stem from tourism, the rapid development of Singapore's tourism industry could also pose challenges to the local sustainability environment and cultural heritage. These challenges include the overuse of resources, increased waste, and the risk of cultural commodification. The latter occurs when traditional elements are commercialized, potentially diluting their authenticity or significance. Thus, Singapore's strict regulations serve as mechanisms that balance tourism growth with the preservation of Singapore's environment and heritage, which is crucial to ensure sustainable development.

For instance, the Smart Nation Initiative embodies Singapore's ambition to leverage ICT, networks, and data to support better living, create more opportunities, and build stronger digital communities. This initiative propels the tourism sector to adopt smart, tech-enabled solutions for enhanced visitor engagement and operational efficiency, leveraging technologies like Internet of Things (IoT), artificial intelligence (AI), and big data to create a seamless, personalized tourist experience. Such technology has also made Singapore's tourism more efficient; for example, the Singapore Tourism Board's use of data analysis to understand tourist behaviors has led to targeted marketing and the creation of customized experiences (GovInsider, 2018).

Regulations related to sustainability and green tourism have catalyzed energy-saving innovations, prompting businesses in the tourism sector to adopt sustainable practices. For instance, two underground MRT stations are experimenting with the use of AI to curb energy consumption while maintaining cool temperatures, potentially reducing energy consumption at train stations by over 7,000 megawatt hours (MWh) per year (Chin, 2022). As the world's largest cooled greenhouses, Gardens by the Bay also stands as a testament to Singapore's sustainability regulations. The Supertrees within are equipped with photovoltaic cells to harvest solar energy, which powers lighting and serves as air exhaust receptacles for the cooling of conservatories (Gardens by the Bay, n.d.).

The regulations on cultural and heritage preservation encourage the integration of contemporary technology with the nation's history. This approach offers a dynamic avenue for tourists and locals alike to engage with the city-state's rich historical landscape, underscoring Singapore's commitment to honoring its past while embracing the future. For instance, the National Museum integrates AR technology in an immersive installation called "Story of the Forest". It transforms 69 drawings from the William Farquhar Collection of Natural History Drawings into three-dimensional animations, bringing the historical natural world of Singapore to life in a modern and interactive format. These installations enable visitors to explore historical narratives and cultural insights in an engaging, educational, and interactive manner, deepening their connection with Singapore's rich heritage which helps them understand and appreciate the nation's regulatory implementation.

Institutional endurance for socio-economic development

Singapore's rigorous regulatory implementation, aimed at safeguarding its institutions, inevitably imposes certain limitations on industry growth and gives rise to social issues, posing potential risks that threaten its institutional endurance. Critics argue that excessive strictness may impose a significant regulatory burden, particularly overwhelming for small businesses and startups. These smaller entities might lack the resources or expertise to navigate these regulations as effortlessly as larger corporations do, and complex requirements could stifle their innovation and entrepreneurship, limiting their growth potential and competitive edge. Thus, achieving balanced regulation is another mechanism that manages these dynamic flows.

Firstly, the effects of an excessive regulatory burden can escalate the overall cost of living. Strict regulatory measures increase production costs and operational expenses, which are often passed on to consumers, leading to higher prices for goods and services. For example, since January 2024, the Singaporean GST has been increased from 8% to 9% to better support public spending that benefits Singaporeans, including healthcare and education (gov.sg, 2023). Moreover, there is a growing concern that such strict regulations might infringe on personal freedoms and individual rights. Laws and regulations governing public behaviors, such as smoking, drinking alcohol in public areas, and even chewing gum, indicate a governance style that prioritizes social order and safety, sometimes at the expense of civil liberties (Ministry of Home Affairs, 2015). Human rights organizations like CIVICUS and FORUM-ASIA have urged the Singapore to address gaps in civic freedom, criticizing it for "continuing to wield repressive laws such as the Public Order Act and defamation provisions against human rights defenders, activists, and journalists" (CIVICUS, 2021). The ongoing challenge for Singapore lies in navigating a new balance between enforcing traditional social norms through regulation and fostering a progressive, open society.

Singapore has recently made significant efforts in response. By maintaining a delicate balance, Singapore can create a regulatory environment that supports industry growth while ensuring that this growth is sustainable, responsible, and aligned with broader societal goals. This strategy has positioned Singapore as a leading global business hub, attracting investments and talent from around the world. A common approach is to review and update policies, ensuring the regulatory environment supports innovation, accommodates new business models, and responds proactively to emerging market needs. For instance, China and Singapore have officially agreed to implement a visa-free entry policy for their citizens, allowing stays of up to 30 days. This policy will foster the economic relationship between the two countries and contribute to higher tourism revenue.

The collaboration between the government and private sector stakeholders is also crucial for updating Singapore's tourism industry. These partnerships facilitate the co-creation of marketing campaigns, the development of new tourism products, and the enhancement of service standards. For instance, the Singapore Tourism Board has adopted the Singapore Tourism Accelerator project, collaborating with firms like Dalberg and The Next Web (TNW) to test new tourism concepts and technologies in a controlled environment, allowing for adjustments before full-scale implementation (Singapore Tourism Board, 2024b). By aligning regulatory frameworks with industry insights and expertise, Singapore ensures a comprehensive strategy that promotes tourism growth while maintaining high-quality standards.

Finally, Singapore's regulatory adjustment includes streamlining processes and providing a conducive environment for businesses to thrive. For example, the Travel Agents and Tourist Guides Licensing System (TRUST) significantly simplifies the licensing process, with a processing time of up

to 10 working days upon the successful submission of all necessary documentation for applicants to receive their license. The simplification is also evident in other areas; as part of the Smart Nation Singapore plan, the government established the GoBusiness platform to provide e-services for firms and individuals, offering a user-friendly interface for businesses and creating a more efficient licensing experience, enabling businesses to communicate with regulatory agencies more easily.

Regulatory development

With the advent of Industry 4.0, technology and innovation have become crucial for promoting institutional endurance in the future regulatory environment of Singapore's tourism industry. For instance, digital government services can streamline administrative processes, simplify, and expedite licensing and permit applications, and tax filings, thereby facilitating the operation of tourism and hospitality businesses. Additionally, digital services benefit both business administration and tourists/consumers. E-visas, digital information kiosks, and mobile apps for tourists enhance convenience, accessibility, and personalization, making Singapore a more attractive destination. The integration of digital tools enables the collection and analysis of big data, which is instrumental in understanding tourist behaviors, preferences, and trends. This allows the government and businesses to better tailor their services, anticipate market changes, and make informed decisions that align with visitor expectations and industry best practices.

Overall, the future of Singapore's regulatory environment is evolving as the country implements technology-based regulatory changes. This development trajectory allows for sustainable growth, enhanced resilience, and inclusivity in the Singaporean economy and society. Ultimately, it contributes to Singapore's ongoing prosperity and stability, solidifying its position as a leader and role model in the global economy.

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