



12 May 2004

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Ms Ng Cher Keng
Ministry of Trade and Industry
100 High Street #09-01
The Treasury
Singapore 179434

(By post and fax 6338 3782)

Dear Ms Ng

PUBLIC CONSULTATION ON THE DRAFT COMPETITION BILL

We refer to your faxed letter dated 12 April 2004 addressed to the Institute's President, Mr Tan Boon Eng.

The Institute of Certified Public Accountants of Singapore appreciates the opportunity to comment on the draft Competition Bill. We strongly support the initiative to improve Singapore's international competitiveness by enhancing the efficient functioning of markets in Singapore via the introduction of appropriate legislation.

In Singapore, external auditors, or public accountants, are required to be registered with the Accounting and Corporate Regulatory Authority or ACRA. ACRA is a statutory body under the purview of the Singapore Ministry of Finance which, *inter alia*, maintains a Register of Public Accountants and a Register of Public Accounting Corporations, controls and regulates the practice of the profession of accountancy by public accountants and accounting corporations, determines and develops standards of Professional Conduct and Ethics of the accountancy profession and discourages dishonourable conduct and practices. Public accountants are also required to be registered with the Institute of Certified Public Accountants of Singapore as practising members.

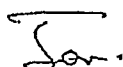
Public accountants are subject to the rigorous rules and regulations of both the ACRA and the Institute. The codes of the Institute and the ACRA contain, *inter alia*, provisions on fees, change of professional appointment and independence. Failure to comply with the codes can result in sanctions against the public accountant.

The rules on publicity for public accountants have recently been amended and currently, *inter alia*, no longer prohibit public accountants from responding to tenders or advertising.

Consequently, the Ministry of Trade and Industry may wish to consider the regulatory requirements for public accountants in its review of the draft Competition Bill.

We shall be pleased to discuss our comments and views with the Ministry or its staff. Please contact Mr Ranchand Jagtiani, Deputy Director of the Technical Division of the Institute should you require further information.

Yours sincerely,



Janet Tan
Executive Director