

For Immediate Release

SINGAPORE AND VIETNAM STRENGTHEN ECONOMIC TIES

1. Minister for Trade and Industry (Trade) Lim Hng Kiang co-chaired the 13th Singapore-Vietnam Connectivity Ministerial Meeting (CMM) with Vietnam Minister of Planning and Investment Nguyen Chi Dung, in Hanoi, Vietnam today. Established in 2006 under the Singapore-Vietnam Connectivity Framework Agreement, the annual CMM has played a key role in strengthening bilateral ties and facilitating trade and investment relations between both countries.
2. The 13th CMM reviewed the good progress of the six sectors of economic cooperation under the Singapore-Vietnam Connectivity Framework, namely: (i) investment, (ii) information technology and communications, (iii) transportation, (iv) education and training, (v) trade and services, and (vi) finance.
3. Both Ministers discussed the potential for bilateral cooperation in other areas of mutual interest such as energy, urban solutions and technology. In the area of energy, the discussion focused on how Singapore companies could share their expertise on developing new sources of energy such as Liquefied Natural Gas (LNG) and renewable energy like solar power. On urban solutions, both Ministers discussed how Singapore companies could collaborate with Vietnam to explore opportunities in master-planning and traffic management. On technology, the meeting noted that Singapore start-ups and technology companies have taken steps to be plugged into Vietnam's vibrant technology scene.
4. The Ministers also noted the positive outcomes following the 12th CMM last year. Earlier this year, United Overseas Bank Limited (UOB) became the first Singapore bank to receive a foreign-owned subsidiary bank (FOSB) licence from the State Bank of Vietnam (SBV). The FOSB licence will enable UOB to extend their services and financial solutions beyond Ho Chi Minh City to businesses located in other cities.
5. On the sidelines of the 13th CMM, both Ministers graced the Investment Promotion Seminar organised by Vietnam's Ministry of Planning and Investment. The seminar provided a platform for Singapore businesses to engage with senior government officials in Vietnam and find out about potential investment opportunities in Vietnam and Quang Tri province.
6. The Ministers also witnessed the signing of a Memorandum of Understanding (MOU) between the Foreign Investment Agency (FIA) of Vietnam and SMF to promote foreign direct investment from Singapore to Vietnam. In conjunction with Mr Lim's trip, SMF led a business mission comprising companies across a range of industries such as manufacturing, IT, building and construction, and logistics.

7. Vietnam and Singapore enjoy strong and longstanding bilateral economic relations. Bilateral trade figures have doubled over the past decade to reach \$19.8 billion in 2016. From January to June 2017, bilateral trade was \$11.1 billion, an increase of 15% compared to the same period last year. Singapore's investments in Vietnam are diversified in various geographical regions and sectors, including services, manufacturing, and real estate. Singapore remained the top ASEAN investor and third largest foreign investor in Vietnam and as of June 2017, Singapore's cumulative investments reached US\$41.6 billion in more than 1,800 projects¹.
8. Mr Lim was accompanied by officials from the Ministry of Trade and Industry, Ministry of Education, Ministry of Transport, International Enterprise Singapore, Singapore Tourism Board, Monetary Authority of Singapore, Infocomm and Media Development Authority and Agri-Food & Veterinary Authority.

**MINISTRY OF TRADE AND INDUSTRY
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Annex A: About the Singapore-Vietnam Connectivity Framework Agreement

Annex B: Photos at the 13th CMM

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¹ Source: Vietnam Investment Review (31 July – 6 August 2017)

ANNEX A

About the Singapore-Vietnam Connectivity Framework

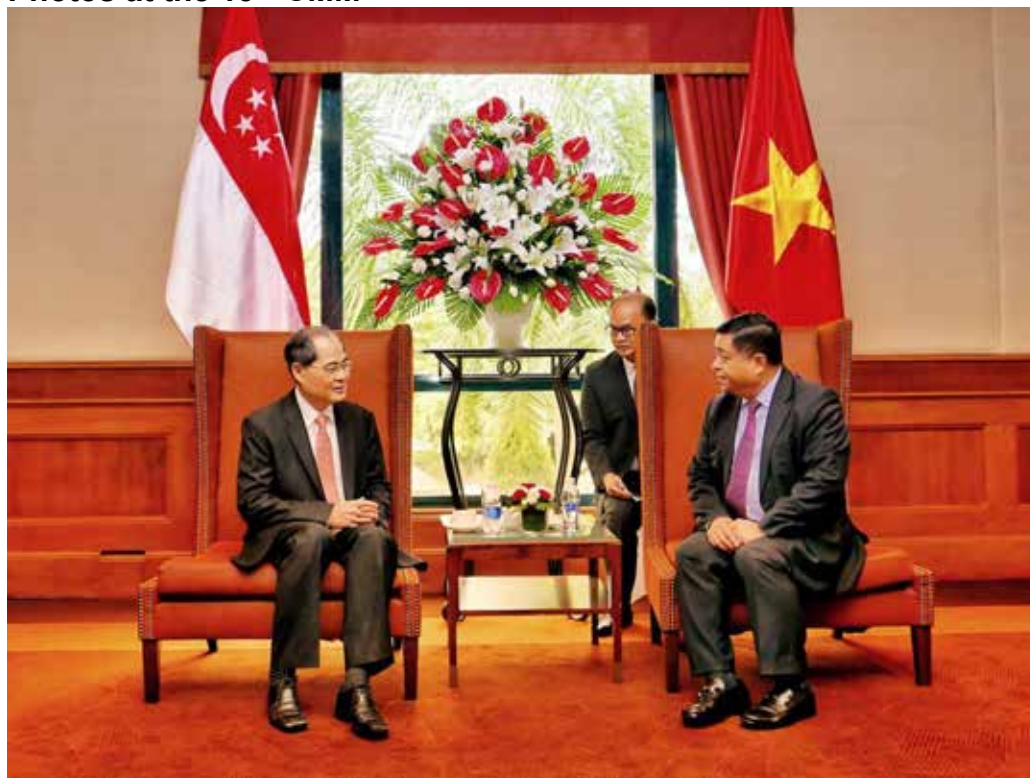
Established in 2006, the *Singapore-Vietnam Connectivity Framework* is an annual platform which has been a cornerstone of bilateral economic relations between Singapore and Vietnam. Mr Lim Hng Kiang, Minister for Trade and Industry (Trade), Singapore and Mr Nguyen Chi Dung, Minister of Planning and Investment, Vietnam, are the current co-chairs of the platform. The Connectivity Ministerial Meetings review the progress of the six sectors of cooperation under the framework, namely, education and training, finance, information technology and telecommunications, investment, trade and services, and transportation on an annual basis.

Since its implementation, the Connectivity platform has successfully facilitated several private sector projects into Vietnam, including the development of the Vietnam-Singapore Industrial Parks (VSIPs), PSA's joint venture with Saigon Port to build and operate a deep-sea container terminal in the Ba Ria-Vung Tau province, as well as the establishment of branch offices by Singapore banks in Vietnam. In Mar 2017, SembCorp and the Vietnamese government signed a Memorandum of Understanding to explore the feasibility of developing a Software Hub in Da Nang. This aligns with Vietnam's aim of moving from labour-intensive to higher value-added activities.

The Connectivity platform has also strengthened public sector cooperation in all six sectors. Singapore agencies have continually organised capacity building programmes for Vietnamese officials in urban development, education and civil aviation, amongst others. This include the very first training programme on Public Greenery and Tree Management by NParks for Hanoi official delegation to Singapore.

ANNEX B

Photos at the 13th CMM



Caption: Minister Lim Hng Kiang and Minister Nguyen Chi Dung co-chaired the 13th Singapore-Vietnam Connectivity Ministerial Meeting in Hanoi, Vietnam.