

SINGAPORE AND VIETNAM REAFFIRM 'CONNECTIVITY' AS AN EFFECTIVE PLATFORM TO FURTHER STRENGTHEN RELATIONS

1. Minister for Trade and Industry Lim Hng Kiang and Vietnam's Minister of Planning and Investment Vo Hong Phuc convened the 3rd Connectivity Ministerial Meeting in Hanoi, Vietnam today.
2. The Ministers affirmed Connectivity as an effective platform for bilateral economic engagement. In the last three years, it has achieved good progress in all six sectors of cooperation. Minister Lim also highlighted that there remains a lot of potential to be harnessed in the Singapore-Vietnam partnership, given the breadth of the two countries' shared economic interests. In addition, both Ministers agreed that such efforts to deepen cooperation amidst the current financial downturn send a strong signal of long term commitment to economic partnership between the two countries.

Urban Development

3. Singapore's public and private sectors' active participation and sharing of expertise on urban development and planning have been very well received in Vietnam. Singapore's urban development training programme this year saw over 60 Vietnamese officials visiting Singapore to learn first hand about our development experience. Singapore also organised familiarisation programmes on urban development for Ho Chi Minh City Party Secretary Le Thanh Hai and Hanoi Party Secretary Pham Quang Nghi when they visited Singapore in 2008. The training and familiarisation programmes left the Vietnamese leaders and officials impressed with Singapore's expertise in integrated townships development, and the Ministers agreed that these programmes should continue.

4. The Ministers also agreed that with the Vietnam government's decision in August 2008 to expand Hanoi City from 920 sq km to over 3,300 sq km, the opportunities for collaboration in urban development and planning were now even greater.

Financial Services

5. The Ministers acknowledged the good progress in the area of financial services, especially the efforts by both the regulatory agencies and financial institutions to develop and facilitate capacity building programmes to support the growth of Vietnam's financial sector. Since the last review in September 2007, there have also been increased activities of Singapore financial institutions in Vietnam. Following the signing of an MOU between MAS and Vietnam's State Securities Commission (SSC) on cooperation and information exchange in 2006, MAS and the State Bank of Vietnam (SBV) signed an MOU to facilitate cooperation in banking sector developments in Jan 2008. Moving forward, the Ministers agreed that to deepen bilateral economic and investment activities, both sides should encourage increased financial sector activities and continued collaboration in capacity building initiatives.

Agri-food Collaboration

6. Both sides welcomed plans to deepen collaboration in the agri-food industry, especially given the recent global developments in the supply and demand of food. Vietnam has a lot of potential in the agricultural sector, and Singapore's expertise in food safety, food processing and packaging can complement Vietnam's agriculture activities. Bilateral collaboration in this area will give a boost to Vietnam's agricultural yield, improve the competitiveness of Vietnam's agri-food industry, and consequently increase Vietnam's agricultural exports.

Aviation Collaboration

7. Vietnam and Singapore already enjoy unlimited 3rd and 4th freedom bilateral air rights for passenger traffic. It was agreed that further expanding air rights was an important area of cooperation. Passenger traffic between both countries had grown at 21% for the first 9 month of the year. For air cargo, growth was even higher, at 59%. To meet growing demand, Vietnam and Singapore agreed to work towards an expansion of air cargo rights at the next meeting on air rights negotiation.

Human Resource Development

8. There has been no let up in both sides' efforts to enhance Vietnam's talent pool through training and capacity building efforts across all six sectors. In particular, MOE and Singapore's educational agencies have been working closely with their Vietnamese counterparts to conduct comprehensive programmes on English language training for Vietnamese teachers, leadership training for school leaders and administrators, and staff and student exchanges. In March this year, Singapore and Vietnam also launched a programme to train Vietnamese school leaders and senior education officials under the Vietnam-Singapore Centre for Educational Excellence (VSCEE). To date, 480 Vietnamese trainers have participated in the programme. These trainers will then transfer their knowledge to school principals throughout Vietnam.

9. The Ministers agreed that the next meeting will be held in Singapore, in mid-2009.

Ministry of Trade and Industry

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