

SINGAPORE-VIETNAM ECONOMIC TIES SET TO STRENGTHEN

1. Vietnam and Singapore reaffirmed their commitment to strengthen bilateral economic relations today at the 6th Vietnam-Singapore Connectivity Ministerial Meeting Held in Singapore, the meeting was convened by Minister for Trade and Industry, Lim Hng Kiang, and Vietnamese Minister of Planning and Investment, HE Vo Hong Phuc.

2. Both Ministers noted that bilateral trade and investment activities have increased even as both economies are recovering from the global financial crisis. Singapore is already one of the largest foreign investors in Vietnam. In the past year, Singapore companies invested in some 100 new projects in Vietnam. This brings Singapore's total investments in Vietnam to US\$18 billion. Bilateral trade between Singapore and Vietnam has increased four-fold from S\$3.24 billion in 1999 to S\$13.4 billion in 2009.

3. Minister Lim noted that there was scope for further collaboration as Vietnam's economy continues to develop and grow. *"Vietnam presents new opportunities for Singapore companies which have competency in modern services such as info-communications, finance and urban development. Vietnam, in turn, can leverage on Singapore's established air, sea and financial hubs to connect more effectively to global and regional markets,"* said Minister Lim.

4. Signed in December 2005, the Vietnam-Singapore Connectivity Framework Agreement provides an overarching platform for the Ministers to meet regularly to review and further our economic ties. Since the inaugural meeting in January 2006, both countries have made notable progress and achievements in various sectors of cooperation including investment, finance, education and training, information technology and telecommunications, transport, and trade and services. (See Annex for additional information on Singapore-Vietnam economic relations).

5. To help Vietnam build up the capabilities of its public sector, some 120 Vietnamese officials have been trained in urban development in the past two years. An English language training programme was also launched for 300 Vietnamese teachers and scholarships were given to Vietnamese students. Singapore government agencies have also shared their expertise and experience with their Vietnamese counterparts through training programmes and study visits.

6. At the sidelines of today's meeting, the Ministers also witnessed a signing ceremony for two joint ventures between Singapore and Vietnam companies. The first joint venture between Miltrade Aerospace (a subsidiary of Miltrade Technologies) and Vietstar Airways is to set up an integrated maintenance, repair and overhaul (MRO) centre in Vietnam. The other joint venture, between TEE International and Khanh Viet, is to develop a residential project in Ho Chi Minh City.

Ministry of Trade and Industry

26 November 2010

Annex

SINGAPORE-VIETNAM ECONOMIC RELATIONS

- Bilateral trade between Singapore and Vietnam has grown steadily in the last decade, and increased four-fold from S\$3.24 billion in 1999 to S\$13.4 billion in 2009. This made Singapore the 5th largest trading partner of Vietnam, and Vietnam our 14th largest trading partner.
- Singapore is the 5th largest investor in Vietnam with a total investment of about US\$18 billion as of September 2010.
- Major Singapore companies in Vietnam include Keppel Land, UOL Group, Ascott Group, CapitaLand, SembCorp Industrial Parks, Mapletree Investments, Banyan Tree, Ascendas, NOL Group, Changi Airports International and Thomson Medical Center.
- In 2009, Singapore was Vietnam's 10th largest visitor market, with 13,000 visitor arrivals. Vietnamese visitor arrivals to Singapore have been on the rise, with an 11% year-on-year increase in 2009, to reach 265,407 visitors.

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