

SINGAPORE SIGNS BILATERAL INVESTMENT TREATY WITH BURKINA FASO AND IVORY COAST TO PROMOTE GREATER INVESTMENT FLOWS

1. Singapore Second Minister for Trade and Industry, Mr S Iswaran signed a Bilateral Investment Treaty (BIT) with two African countries today – Burkina Faso and Ivory Coast. The Burkina Faso-Singapore BIT was signed with Minister for Industry, Commerce and Handicraft Arthur Kafando and the Ivory Coast–Singapore BIT was signed with Minister for Commerce, Craft and SME Promotion Jean Louis Billon. Both signings took place today at the 3rd Africa Singapore Business Forum 2014 held in Singapore.
2. The two agreements signed today will protect investors' interests from both countries and open up more business and investment opportunities. It also underscores the increasing bilateral trade and growing economic ties between Singapore and the two countries.
3. On the signing with Burkina Faso and Ivory Coast, Minister S Iswaran said, "The treaties will provide our companies operating in Burkina Faso and Ivory Coast better protection and greater investment confidence, thus promoting investment flows between our countries. It also highlights the scope for greater economic cooperation between Singapore and Africa. Singapore's ties with Africa are growing and we look forward to building stronger relations with the region."

Burkina Faso-Singapore Bilateral Investment Treaty

4. The BIT with Burkina Faso will open up more opportunities in sectors such as agriculture. There are currently a few Singapore firms with a presence in Burkina Faso, such as Olam International Limited and Agritech. Bilateral trade with Burkina Faso has been increasing. From 2012 to 2013, bilateral trade with Burkina Faso increased 15% to S\$2.54 million.
5. There are also greater bilateral exchanges between Singapore and Burkina Faso to explore potential areas of collaboration. Burkina Faso President Blaise Compaore visited Singapore in April 2014 where an inaugural Burkina Faso Singapore Business Forum was organised to encourage more trade and investment flows. Burkina Faso Prime Minister Beyon Luc Adolphe Tiao is also in Singapore to witness the signing of the BIT at the Africa Singapore Business Forum.

Ivory Coast–Singapore Bilateral Investment Treaty

6. The BIT with Ivory Coast will also open up more opportunities. Ivory Coast, the world's largest exporter of cocoa and raw cashew nuts, is a potential hub for Singapore companies in West African countries, given its good infrastructure and natural resources. Bilateral trade stood at S\$36.1 million in 2013. In 2012,

Singapore's cumulative direct investments to Ivory Coast amounted to S\$220 million, primarily in the agriculture sector. Singapore companies such as Olam International and GMG Global have operations there.

7. Since 2011, there have been more bilateral exchanges between Singapore and Ivory Coast. In July 2013, Singapore Senior Minister for Trade and Industry Lee Yi Shyan visited Abidjan, Ivory Coast. Minister Billon is in Singapore to sign the BIT and this is his third visit here.

8. Ivory Coast and Burkina Faso are both part of the 15 member economic bloc Economic Community of West African States in Africa. This creates a combined market of about 340 million consumers with an estimated total GDP of US\$756 billion in 2013. Singapore shares warm economic ties with Africa. Bilateral trade between both countries has risen steadily at a rate of 11.7% over the past five years, amounting to S\$14.1 billion in 2013. At the same time, Singapore's investments into Africa have reached S\$20.1 billion, an 11.2% increase since 2008. Other than the treaties with Ivory Coast and Burkina Faso, Singapore also has a BIT with Mauritius and Libya.

About the Bilateral Investment Treaties

9. With these two treaties, Singapore companies operating in Burkina Faso and Ivory Coast will be better protected as they enjoy treaty protection on top of protection under their domestic laws.

10. Key features of the treaties include:

- i. Ensuring that our investments in Burkina Faso and Ivory Coast will not be treated less favourably than other foreign investments;
- ii. Providing prompt, adequate and effective compensation in the event of nationalisation;
- iii. Allowing cross border transfer of capital and returns;
- iv. Offering international arbitration as an avenue for our investors to resolve investment disputes.

11. Singapore currently has 41 BITs in force. A copy of the Burkina Faso-Singapore and Ivory Coast-Singapore treaties will be available on the MTI website (<http://www.mti.gov.sg/MTIInsights/Pages/IGAs.aspx>).

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