

FOR IMMEDIATE REPORTING

**MINISTER OF STATE DR KOH POH KOON ON FIVE-DAY VISIT TO
UGANDA AND TANZANIA**

1. Minister of State for Trade and Industry Dr Koh Poh Koon is visiting Uganda and Tanzania from 25 to 29 April 2016 to explore new growth opportunities in the East Africa region.
2. The East Africa region has achieved an average of 6% GDP growth since 2005. Singapore's bilateral trade with Uganda amounted to S\$34.7 million in 2015, and has grown at a Compound Annual Growth Rate (CAGR) of 37% since 2010. Diversifying growth beyond commodities, the East Africa region has been shifting towards a service-driven economy, presenting opportunities that can be reaped by Singapore companies.
3. Dr Koh said, "While our traditional overseas markets remain important to Singapore, amidst the global economic rebalancing, Singapore companies expanding overseas can consider markets further afield where there are new business opportunities to be seized. East Africa has recorded impressive growth over the past decade and Uganda is at the heart of this region. I am encouraged that the Singapore business delegation on this trip comprises companies exploring Uganda for the first time. This highlights our companies' willingness to push new boundaries."
4. During the first leg of his visit in Uganda from 25 to 26 April, Dr Koh called on Vice President Edward Ssekandi, Third Deputy Prime Minister and Minister for East African Community Affairs Kirunda Kivejinja, Minister for Foreign Affairs Sam Kutesa, Minister of Trade, Industry and Cooperatives Amelia Kyambadde and Minister of Finance, Planning and Economic Development Matia Kasaija, and held discussions on deepening relations between Singapore and Uganda. Both sides agreed to commence negotiations on the Avoidance of Double Taxation Agreement, which provides for the reduction or exemption of tax on certain types of income.
5. Dr Koh also delivered a speech at the Uganda-Singapore Business Forum organised by the Singapore Business Federation (SBF) and Uganda Investment Agency. Dr Koh highlighted areas where Singapore could

contribute to Uganda's development and encouraged stronger linkages between Singapore and East Africa.

6. Dr Koh will be in Tanzania from 27 to 29 April 2016 for the next leg of his visit.

7. Accompanying Dr Koh is a Singapore delegation comprising officials from the Ministry of Trade and Industry, International Enterprise Singapore and Singapore Cooperation Enterprise. Dr Koh is also accompanied by an SBF-led delegation of representatives from 11 Singapore companies.

Annex A: Photos

Annex B: Speech by Minister of State (Trade and Industry) Dr Koh Poh Koon at Uganda-Singapore Business Forum

Annex C: Factsheet on Singapore-Uganda Bilateral Relations

Ministry of Trade and Industry

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ANNEX A: PHOTOS



Minister of State (Trade and Industry) Dr Koh Poh Koon called on Ugandan Vice President Edward Ssekandi on 26 April 2016



Minister of State (Trade and Industry) Dr Koh Poh Koon speaking at the Uganda-Singapore Business Forum in Uganda on 25 April 2016



Minister of State (Trade and Industry) Dr Koh Poh Koon with Ugandan Minister of Trade, Industry and Cooperatives Amelia Kyambadde

**ANNEX B: SPEECH BY MINISTER OF STATE (TRADE AND
INDUSTRY) DR KOH POH KOON AT UGANDA-SINGAPORE
BUSINESS FORUM ON MONDAY, 25 APRIL 2016, AT KAMPALA
SERENA HOTEL, UGANDA**

His Excellency, Ajedra Gabriel Gadison Aridu, Minister of State for Investment of the Republic of Uganda,

Distinguished Guests,

Members of the Singapore and Ugandan business community,

Ladies and Gentlemen,

1. I am very pleased to be here with you this morning. This marks my first visit to Sub-Saharan Africa and I am glad to make Uganda my first stop.
2. As our flight flew over Lake Victoria when we were landing in Entebbe yesterday, I could not help but marvel at the size of the lake. In fact, Lake Victoria is about 100 times the size of Singapore, and that should give some perspective on the differences in our land mass. Home to a variety of landscapes, greenery, plantations and wildlife, it is not difficult to see why Uganda is known as the Pearl of Africa.
3. At first glance, it is very hard to see similarities between Singapore and Uganda. You are big, we are small; you are rich in resources, we have none, to the extent that we do not even have enough drinking water, although we are surrounded by seawater. Some people would say Uganda is landlocked, but I think of it as land-linked as you are linked to many other lands of opportunities. Uganda is the 6th largest producer of coffee in the world and has the fourth largest reserves of oil in Sub-Saharan Africa. In comparison, Singapore is a small country with no energy resources or arable land. It is precisely because of our differences that opportunities to collaborate and work together arise.

LAYING THE BUILDING BLOCKS: GROWING UGANDA-SINGAPORE RELATIONS

4. Singapore's relations with Uganda may be nascent but it is growing. Singapore's bilateral trade with Uganda has been growing at a Compound Annual Growth Rate (CAGR) of 37% over the past five years. While it reached US\$25.9million (S\$34.7million) in 2015, if you were to project forward based on the annual CAGR, it will grow even further. There is potential to strengthen our relationship by laying the right building blocks. I would like to talk about how we can lay these foundations in four areas of connectivity. Firstly, through government-to-government connections; secondly, connectivity within the region; thirdly, connecting between the regions, and lastly, connecting the businesses.

5. Firstly, Uganda can tap on **Singapore's experiences** in its industrialisation journey. When we first gained independence, we started manufacturing clothes and toys for the mass markets. One of the Singapore companies that made an early presence in Uganda was in fact a clothing company called Crocodile Holdings. I was told that in the past, shirts made by Crocodile were reasonably popular in Uganda. Over time, however, we grew less competitive in labour-intensive products. We had no choice but to move into high value-add manufacturing. Today, we export machinery and equipment to Uganda.

6. When Singapore was industrializing, we were fortunate to have benefitted from technical assistance from other countries and other investors. One of our early advisors in our economic development suggested the creation of a one-stop investor agency which can help bring investments into our country. This is now known as the Economic Development Board (EDB). The agency, or EDB for short, has been pivotal in our success as a business destination by removing barriers for investors as it can be challenging to navigate the layers of government.

7. As Singapore grew, we saw the importance of sharing our experience and know-how with our friends and partners. Our own experience has shown that growth begins by creating the right conditions and the environment for business to thrive. The governance framework is an important piece of the growth story. Hence we have offered courses for government officials in the areas of Public Administration and Economic Development. Since 1992, we have trained over 400 Ugandan officials in areas which are relevant to Uganda. This is a relationship that we would like to continue and to foster government

to government interaction. As we share, we learn. This is how we become better friends.

8. Secondly, we seek to **build connectivity within the region**. Uganda has the advantage of having direct access to the 160 million-strong East African Community (EAC). Being located in the centre of the region, this provides Uganda a strategic platform for entry into the larger EAC. Singapore companies such as Pacific International Lines and CrimsonLogic are already active in the region. Their solutions in e-governance or shipping will help to reduce the costs of doing business which will benefit both local and foreign businesses which seek to export to other parts of the world. This, in turn, will improve the attractiveness of the region as an investment destination.

9. Next, we can work towards **building connections between our regions**. Even as the EAC grows, it is important to consider new markets because your products will then have a better reach and better sales. The Association of Southeast Asian Nations (ASEAN) has a combined population of 600 million people. Agricultural products, which Uganda exports, such as coffee, tea and cotton are in huge demand in ASEAN. Singapore is the natural gateway for businesses in Africa to venture into the region. Ugandan companies can tap on Singapore's strong links with airports and maritime ports across Southeast Asia. We have connections to over 600 maritime ports in the world. Singapore and Uganda can take the lead in pursuing greater cooperation between EAC and ASEAN. One example of how this could be done is by putting in place trade-enhancing agreements such as the Avoidance of Double Taxation Agreements. This provides our companies greater assurance to do business. In the longer term, we can explore a Free Trade Agreement with the larger EAC as a whole.

10. Lastly, I turn my attention to **building commercial linkages between businesses**. We have businesses from Uganda and Singapore in the audience today. Singapore companies such as Olam and Wilmar have expanded into Uganda and I believe that they can contribute their expertise to Uganda's development in the agriculture sector. Olam has operated in Uganda since 2007 with facilities processing cocoa, sesame and coffee, while Wilmar has made significant investments of at least US\$10 million in palm plantations in Uganda. Greater foreign investment in processing facilities would enhance the exportability of Ugandan products and make Uganda an important place to feed

the world. Given the potential in Uganda, there is room for more Singapore companies to explore collaborations with local companies.

11. On that note, I am glad to be leading a business delegation to Uganda. This is the third business mission that the Singapore Business Federation has organized to Uganda. Such businesses exchanges will allow businesses from both our countries to interact and create value.

12. In closing, we can certainly do more to enhance Singapore and Uganda's relations at the government, regional, and business levels. Today's forum will contribute towards that goal. I hope the conversation will not stop here.

13. I wish all of you fruitful discussions ahead. *Asante* or thank you.

ANNEX C: FACTSHEET ON
SINGAPORE-UGANDA BILATERAL RELATIONS

Uganda is strategically located at the crossroads of East Africa and Central Africa. Goods bound for the eastern Democratic Republic of Congo pass through Uganda, from the ports of Mombasa (Kenya) and Dar es Salaam (Tanzania). Crude oil was discovered in 2006. Uganda has an estimated reserve of 6.5 million barrels of oil, making it the fourth largest reserve in Sub-Saharan Africa.

Singapore's trade with Uganda has been on the rise, growing at a CAGR of 37% since 2010. Total bilateral trade with Uganda in 2015 was S\$34.7 million. Singapore's imports from Uganda amounted to S\$25.9 million while Singapore's exports to Uganda amounted to S\$8.7 million. Singapore's top imports from Uganda in 2015 comprised cocoa beans, frozen fish and tobacco. Singapore's top exports to Uganda in 2015 comprised non-electronic medical instruments, medicines and telephones.