

For Immediate Release

**MINISTER LIM HNG KIANG TO VISIT HAVANA, CUBA
FROM 5 – 7 JUNE 2016**

1. Minister for Trade and Industry (Trade) Lim Hng Kiang will be visiting Havana, Cuba from 5 to 7 June 2016. This will be Mr Lim's first visit to Cuba. Cuba presents niche opportunities for Singapore companies in the areas of hospitality and tourism, ports and logistics, and industrial park development.
2. On 6 June, Mr Lim will speak at the Cuba-Singapore Business Forum jointly organised by the Singapore Business Federation (SBF) and the Cuban Chamber of Commerce. He will call on Vice President and Minister of Economy and Planning Marino Murillo Jorge and attend a dinner hosted by Minister of Foreign Trade and Investment Rodrigo Malmierca Diaz. On 7 June, Mr Lim will visit the Mariel Special Development Economic Zone, a 465.4km² special economic zone situated 45km from Havana, where PSA International has been operating a container terminal since January 2014. He will also call on Minister of Transport Adel Yzquierdo Rodriguez and Minister of Tourism Manuel Marrero Cruz.
3. A business delegation of 14 Singapore companies led by SBF and IE Singapore will be in Cuba in conjunction with Mr Lim's visit to explore business opportunities.
4. Mr Lim said, "Singapore businesses must adopt an open mindset and look beyond our shores to expand into new markets overseas. There is intense international interest in Cuba as it gradually re-integrates into the world economy. There are niche opportunities for our companies in areas such as tourism and port infrastructure. I am heartened to see companies such as PSA International and Banyan Tree undertaking projects in Cuba. I hope that the companies in the business delegation will find good opportunities here."
5. In 2015, bilateral trade between Cuba and Singapore amounted to S\$12.2 million, a 15% increase from 2014. Imports from Cuba amounted to S\$8.31 million while exports to Cuba amounted to S\$3.88 million in 2015.

(**Annex A** – Factsheet on Singapore-Cuba economic relations)

**Ministry of Trade and Industry
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Annex A

Factsheet on Singapore-Cuba Economic Relations

Trade

1. In 2015, bilateral trade between Singapore and Cuba amounted to S\$12.2 million. Singapore's imports from Cuba amounted to S\$8.31 million, an increase of 4.1% year-on-year, comprising mainly manufactured tobacco; crustaceans, molluscs, and aquatic invertebrates; and alcoholic beverages.

2. Singapore's exports to Cuba amounted to S\$3.88 million, an increase of 47% year-on-year, comprising mainly parts and accessories for motor vehicles; herbicides; and machine parts and accessories.

Investment

3. The stock of Foreign Direct Investment (FDI) from Cuba in Singapore and Singapore's stock of Direct Investment Abroad (DIA) into Cuba are currently nascent. According to data from ACRA, there is presently one Cuban company registered in Singapore.

Existing Agreements between Singapore and Cuba

4. The **Visa Abolition Agreement** between Singapore and Cuba was signed in June 2015 during the visit of then-Minister of Foreign Affairs K. Shanmugam to Cuba. The VAA entered into force on 1 April 2016. The VAA will encourage tourist and business exchanges between Cuba and Singapore.

Singapore's interests in Cuba

5. Cuba presents niche opportunities for Singapore companies in the mid- and long-term in hospitality and tourism, ports and logistics, and industrial park development. There are several Singapore companies with presence or interests in Cuba:

- a. **PSA International** was awarded a 10-year management contract to operate the container terminal at the port of Mariel, which opened in January 2014.
- b. **Banyan Tree** has been awarded a management contract by Cuban tourism state-owned enterprise, Grupo Gaviota, to develop and manage four hotels in Cuba. Of the four projects, one will be under the Dhawa brand, two under Angsana, and one under the flagship Banyan Tree brand. Dhawa Cayo Las Brujas, located on an island off Cuba's north central coast, is scheduled to open in July 2016. Angsana Cayo Santa Maria is expected to open in 2017, followed by another Angsana project and a Banyan Tree resort on an island in Varadero, Matanzas.

- c. **Ivorychem Pte Ltd**, which is a manufacturer, exporter and distributor of agrochemicals, fertilizers and herbicides.
- d. **Innokeys**, a Singapore-based biotechnology company, has partnered Cuba's Centre of Molecular Immunology on a JV company InnoMab, to develop and market cancer drug Nimotuzumab for the treatment of malignant tumours.

Opportunities for Singapore companies

6. In August 2010, the Cuban government issued a free-market decree allowing foreign investors to lease government land for up to 99 years, making Cuba a more attractive place for foreign developers.

7. Central to Cuba's economic reform is the 465.4km² Mariel Special Development Zone (ZEDM), a zone about an hour away from Havana designated for manufacturing in key industries such as biotechnology and pharmaceuticals, packaging, and agro-food. Several 100% foreign-owned projects and joint ventures have already been approved for the ZEDM.

8. The strategically located port of Mariel has the potential to be a significant port in the region. There may be opportunities for Singapore companies in the logistics sector to offer services to improve the efficiency of the port.

9. There are also plans to develop an industrial park around Port Mariel. Singapore companies with expertise in master-planning, information integration and security solutions for industrial parks can explore potential opportunities in these areas.