

## **SINGAPORE AND CHINA COMMITTED TO ENHANCE ECONOMIC TIES AND FACILITATE GREATER COLLABORATION IN TRADE IN SERVICES**

To facilitate greater collaboration in Trade in Services, Singapore's Minister for Trade and Industry Mr Lim Hng Kiang and China's Minister of Commerce Mr Chen Deming, have agreed to explore the setting up of a new work group to facilitate new projects and areas of cooperation in the services sector. This agreement emerged yesterday from the 3<sup>rd</sup> Singapore-China Investment Promotion Committee (IPC) Meeting that was chaired by the two Ministers in Beijing.

2. At the meeting, both Ministers also discussed ways to further cooperation, specifically in the area of Trade in Services, and facilitating Chinese enterprises to internationalise their businesses through Singapore. Singapore is keen to participate in China's growing services sectors such as healthcare and education. Firms from both sides could explore greater collaborations in these areas, and seize growing opportunities together in the global market and beyond.

3. Minister Lim Hng Kiang said: "Once set up, this new work group will meet regularly to help identify issues and opportunities that we can discuss and explore together. I believe it will also pave the way for more collaborations between Singapore and China and enhance our already strong economic ties."

4. Singapore and China enjoy strong bilateral economic relations. In 2011, bilateral trade grew 6.4 per cent from the year before to reach S\$101.4 billion. Trade in services export has grown significantly in recent years. Currently, China is Singapore's 3rd largest services export destination by country, and a fast growing one. Export of services to China increased by nearly 5 times over the last decade from S\$1.3 billion in 2001 to S\$7.4 billion in 2010. Key sectors include transportation services, financial and insurance, and business services.

5. During the IPC meeting, Singapore and China also discussed the upcoming review of the China-Singapore Free Trade Agreement (CSFTA) in June, to further improve its quality and smoothen its implementation. Since the CSFTA's entry into force in 2009, China and Singapore have been conducting review meetings annually to improve its relevance to traders of both sides. CSFTA is the first comprehensive bilateral FTA that China has signed with another Asian country, covering trade in goods, trade in services, rules of origin, trade remedies, economic cooperation and dispute settlements, among others.

6. The bi-annual IPC meeting was first established in May 2006 to promote greater investment flows between the two countries. The successful conclusion of the meeting underscores the close economic relations between Singapore and China.



Caption: Minister for Trade and Industry Lim Hng Kiang and China's Minister of Commerce Chen Deming agreed to explore the setting up of a new work group, to facilitate new projects and areas of cooperation in the services sector at the 3<sup>rd</sup> Singapore-China Investment Promotion Committee (IPC) Meeting in Beijing yesterday. *(Photo courtesy of Ministry of Trade and Industry)*

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