

Singapore and China Announce New Areas of Cooperation at the 15th Suzhou Industrial Park Joint Steering Council Meeting

Singapore and China reaffirmed bilateral economic ties through the Suzhou Industrial Park (SIP) by strengthening cooperation in the areas of modern services, technology commercialisation and Smart City solutions. Two Letters of Intent (LOI) and a Memorandum of Understanding (MOU) were signed today at the 15th SIP Joint Steering Council (JSC) meeting co-chaired by Deputy Prime Minister, Coordinating Minister for National Security and Minister for Home Affairs Teo Chee Hean and Vice Premier of the State Council of the People's Republic of China (PRC) Zhang Gaoli.

Under the LOIs, SIP will serve as a pilot site for cooperation between China and Singapore in modern services and will also be further developed into a centre for science, technology and innovation. The MOU aims to promote joint projects between Singapore and Chinese companies in innovative Smart City solutions, such as Intelligent Transport Systems, in SIP.

The LOI on modern services, signed between Singapore Senior Minister of State for Trade and Industry Lee Yi Shyan and the PRC Vice Minister of Commerce Wang Chao, seeks to promote bilateral trade in services, support new areas of financial cooperation and facilitate Singapore companies' interests in SIP's services sector. Examples are professional services, environment, info-comm technology and human resource development.

The LOI on the commercialisation of technologies was signed between Singapore Senior Minister of State for Trade and Industry Lee Yi Shyan and the PRC Vice-Minister of Science and Technology Cao Jianlin. This LOI supports the development of Singapore science and technology entities in SIP. It facilitates the commercialisation of technologies by allowing Singapore entities to tap into demand from the Chinese market in areas like bio-technology, nano-technology and next generation info-comm technology.

These new initiatives will open up more business opportunities for Singapore and Chinese companies, especially in the services sector. China is a key services export destination for Singapore. As Singapore's 5th largest services export destination in 2011, China accounted for 5% of Singapore's total services export.

SIP is an ideal site to pilot bilateral cooperation in the services sector. It has undergone impressive economic development since its establishment and has consistently posted healthy economic results. Last year, its GDP and fiscal revenue grew by 10.7 per cent and 12.6 per cent to reach RMB 173.8 billion and RMB 18.5 billion respectively. SIP's services industry also continues to grow, with its contribution to the GDP increasing 2 per cent to reach 37.7 per cent in 2012.

The 15th SIP JSC also highlighted SIP's continued relevance to China's socio-economic reforms. In addition, Singapore reaffirmed its commitment to share its experiences to meet SIP's evolving developmental goals including its focus on human resource development. Over the past 19 years, Singapore has trained more than 2,700 Chinese officials under the software transfer programmes in broad areas such as finance and professional services, information communications and public administration. Singapore and Chinese officials continue to develop warm relations and learn from one another.

About SIP JSC

SIP was established in 1994 and is the first flagship government-to-government project between Singapore and China. The SIP JSC meeting is a high-level platform that oversees bilateral cooperation in SIP. The 15th SIP JSC was the first time that Vice Premier Zhang co-chaired the meeting since he took office in March 2013.

MINISTRY OF TRADE AND INDUSTRY

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Please refer to the Annexes A and B for more details on the two Letters of Intent signed at the 15th SIP JSC.

Annex A

Factsheet on the Letter of Intent between Singapore Ministry of Trade and Industry and PRC Ministry of Commerce on the Deepening of China-Singapore Cooperation in Modern Services in Suzhou Industrial Park

Objectives

To further strengthen and deepen bilateral cooperation, Singapore's Ministry of Trade and Industry (MTI) and PRC's Ministry of Commerce (MOFCOM) have designated Suzhou Industrial Park (SIP) as the pilot site for "China-Singapore Modern Services Cooperation". Under this Letter of Intent (LOI), both sides will explore cooperation in the following areas:

- (a) Promote Trade in Services between Singapore and China;
- (b) Support new areas of financial cooperation;
- (c) Facilitate Singapore companies' interests in SIP's services sector, including the sectors of professional services, environment, info-comm technology and human resource development; and
- (d) Promote the growth of the services sector in SIP including the areas of finance, logistics, tourism, exhibition and business processing outsourcing.

The implementation and specific details of the cooperation will be further discussed by the relevant agencies from both sides.

Signatories

The LOI was signed between Senior Minister of State for Trade and Industry Lee Yi Shyan and the PRC Vice Minister of Commerce Wang Chao during the 15th SIP Joint Steering Council (JSC) Meeting, which was held in Singapore on 22 Oct 2013.

Annex B

Factsheet on the Letter of Intent between Singapore Ministry of Trade and Industry and PRC Ministry of Science and Technology on the Deepening of China-Singapore Cooperation in the Commercialisation of Technologies in Suzhou Industrial Park

Objectives

Singapore's Ministry of Trade and Industry (MTI) and PRC's Ministry of Science and Technology (MOST) seek to strengthen cooperation in science and technology through the commercialisation of technologies in Suzhou Industrial Park (SIP). In signing this Letter of Intent (LOI), MTI and MOST will support SIP's efforts in developing itself into a centre for science and technology, and innovation. The areas of focus will be on bio-technology, nano-technology and next generation info-comm technology. SIP intends to use this platform to:

- (a) Support the development of existing and future Singapore science and technology entities based in SIP, such as the National University of Singapore (Suzhou) Research Institute (NUSRI);
- (b) Promote the commercialisation of technologies by Singapore entities based in SIP through initiatives such as demand matching; and
- (c) Support the cooperation between Singapore and Chinese science and technology entities in SIP.

Signatories

The LOI was signed between Senior Minister of State for Trade and Industry Lee Yi Shyan and the PRC Vice-Minister of Science and Technology Cao

Jianlin during the 15th SIP Joint Steering Council (JSC) Meeting, which was held in Singapore on 22 Oct 2013.