

For Immediate Release

## **CLOSURE OF THE AMARAVATI CAPITAL CITY START-UP AREA PROJECT**

1. The Singapore Government notes the decision by the Government of Andhra Pradesh (GoAP) to close the Amaravati Capital City Start-Up Area project via a Government Order dated 11 November 2019. The closure is based on mutual consent between the GoAP and the Singapore Consortium (comprising Ascendas Singbridge Pte Ltd (now part of CapitaLand Group) and Sembcorp Development Ltd).

2. Minister-in-charge of Trade Relations S Iswaran said, "The Singapore Consortium was appointed by the Government of Andhra Pradesh in 2017 to help master develop the 6.84 km<sup>2</sup> Start Up Area of its new capital city Amaravati. We note that the newly elected Government of Andhra Pradesh has decided not to proceed with the Start-Up Area given its other priorities for the state. Companies recognise such risks when venturing into any overseas market and factor them into their investment decisions. In this instance, the Singapore Consortium companies have stated that the project has cost them a few million dollars, and that its closure does not impact their investment plans in India. Singapore companies remain interested in opportunities in Andhra Pradesh and other Indian states because of the size and potential of the market. Our economic agencies will continue to help our companies internationalise by exploring opportunities in India and other overseas markets."

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