

For immediate reporting

**SINGAPORE AND KAZAKHSTAN ENHANCE ECONOMIC COOPERATION
WITH SERVICES AND INVESTMENT AGREEMENT**

1. Minister for Manpower and Second Minister for Trade and Industry Tan See Leng and Kazakhstan Deputy Prime Minister and Minister of Trade and Integration Serik Zhumangarin, signed the Agreement on Trade in Services and Investment between the Republic of Kazakhstan and the Republic of Singapore (Services and Investment Agreement) today. The signing was witnessed by President Halimah Yacob and Kazakhstan President Kassym-Jomart Tokayev during President Halimah's state visit to Kazakhstan.
2. Minister Tan said, "The Services and Investment Agreement is an important milestone. It reflects the growing partnership between Singapore and Kazakhstan. It shows both countries' commitment to enable new possibilities for our people and business. The Agreement will facilitate Singapore companies venturing into Kazakhstan, a country with immense opportunities and a springboard to its region."
3. With the Kazakhstan-Singapore Services and Investment Agreement, Singapore companies can look forward to seamless access into Kazakhstan's markets in more than 15 services sectors and the protection of investors' interests. (Refer to Annex B for details)

Annex A: Photo of the signing

Annex B: Factsheet on the Kazakhstan-Singapore Services and Investment Agreement

Annex C: Factsheet on Singapore-Kazakhstan economic relations

**MINISTRY OF TRADE AND INDUSTRY
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Annex A

Photo of signing



Caption: Minister for Manpower and Second Minister for Trade and Industry Tan See Leng and Kazakhstan Deputy Prime Minister and Minister of Trade and Integration Serik Zhumangarin, signed the Kazakhstan-Singapore Services and Investment Agreement today on the sidelines of President Halimah Yacob's state visit to Kazakhstan.

Annex B

**Factsheet on the Kazakhstan-Singapore
Services and Investment Agreement**

The Kazakhstan-Singapore Services and Investment Agreement¹ is a legally binding agreement between Kazakhstan and Singapore. It offers mutual benefits for businesses from both countries which in turn will generate mutual opportunities in a range of sectors.

- 2 The Agreement will offer the following benefits:
- a. **Services**. Improved market access for Singapore companies venturing into Kazakhstan in 15 sectors which are: (1) specialised medical services; (2) dental services; (3) research and experimental development services on natural sciences; (4) interdisciplinary research and experimental development services; (5) residential and non-residential property management services on a fee or contract basis; (6) services related to management consulting; (7) building cleaning services; (8) photographic services; (9) translation/ interpretation services; (10) interior design services; (11) other specialty design services; (12) entertainment services (including theatre, live bands, and circus services); (13) dyeing and colouring services; (14) funeral, cremation and undertaking services; and (15) hairdressing and other beauty services.
 - b. **Movement of Natural Persons**. Access for contractual service¹ suppliers from Singapore into Kazakhstan in 17 sectors which are: (1) legal services; (2) accounting and bookkeeping services; (3) taxation services; (4) architectural services; (5) engineering services; (6) integrated engineering services; (7) urban planning and landscape architecture services; (8) computer and related services; (9) advertising services; (10) market research services; (11) management consulting services; (12) services related to management consulting; (13) technical testing and analysis services; (14) advisory and consulting services incidental to mining; (15) related scientific and technical consulting services; (16) maintenance and repair of equipment, including transportation equipment, in the context of an after-sales services contract; and (17) environmental services.

This offers opportunities for Singapore companies to provide services in Kazakhstan and increases global exposure for Singapore talent.

¹ A contractual service supplier is defined as a technically qualified person with at least five years of professional experience, whose presence is required in Kazakhstan to fulfil a service contract.

- c. Investment. Stability and predictability for Singapore investors, investments, and companies in Kazakhstan via investment protection disciplines. These include non-discriminatory treatment, fair and equitable treatment based on customary international law and protection from illegal expropriation among others.

Annex C

Factsheet on Singapore-Kazakhstan economic relations

Trade in Goods

1 In 2022, total bilateral trade in goods between Singapore and Kazakhstan was S\$412 million. Singapore's exports to Kazakhstan amounted to \$85 million, with top exports being turbo jets, petroleum oils, lubricating preparations, turbo propellers, and electrical machinery. Singapore's imports from Kazakhstan amounted to S\$327 million, mainly comprising petroleum oils.

Services

2 Trade in services between Singapore and Kazakhstan amounted to S\$15 million in 2020. Singapore's export of services to Kazakhstan was valued at S\$11 million, mainly in the business management, financial, telecommunications, computer and information service sectors. Singapore's import of services from Kazakhstan was valued at S\$4 million, mainly in insurance, trade-related, and transport service sectors.

Investment

3 Bilateral investments between Kazakhstan and Singapore are increasing, with potential for growth. As of 2020, Kazakhstan's stock of investment in Singapore amounted to S\$1.5 billion, mainly in the financial and insurance services sector. Singapore's stock of investment in Kazakhstan was S\$630 million in the same year.

Agreements between Kazakhstan and Singapore

4 **Kazakhstan-Singapore Bilateral Investment Treaty (BIT)**. The BIT was signed on 21 November 2018 and ratified by Singapore on 30 April 2023. Kazakhstan is in the process of ratifying the BIT. The BIT will enter into force shortly after Kazakhstan completes its ratification process. The BIT benefits companies from both countries by providing enhanced investment protection measures for their investments in each other's markets, boosting business certainty and confidence.

5 **Singapore-Kazakhstan Avoidance of Double Taxation Agreement (DTA)**. The DTA was signed on 19 September 2006 and entered into force on 14 August 2007. The DTA benefits companies from both countries by providing for a reduction or exemption of tax. A Protocol to update the DTA with the internationally agreed standard for the Exchange of Information has been in force since September 2014.

6 **EAEU-Singapore Free Trade Agreement**. Singapore and Kazakhstan, along with Armenia, Belarus, Kyrgyzstan, and Russia signed the Eurasian Economic Union (EAEU)-Singapore Free Trade Agreement (FTA) in 2019. The EAEU is a customs union formed among Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia, representing a combined market of 184 million people with a combined GDP of US\$1.8 trillion in 2021. The FTA, when in force, will strengthen trade infrastructure between Singapore and the EAEU member countries, including Kazakhstan, and reduce or eliminate customs duties on certain goods traded.

Singapore Companies in Kazakhstan

7 Singapore's commercial interests in Kazakhstan are in the master-planning, logistics and connectivity, innovation, consumer goods, infrastructure, as well as the oil and gas sectors. Notable Singapore companies that have undertaken activities in Kazakhstan include:

- a) **Surbana Jurong** has been involved in urban and infrastructure projects in Kazakhstan since 2012. Surbana Jurong's most significant project is its development management services to the Caspian Group for the G4 City in Almaty, which started as a master planning project in 2019 involving a 1018 km² study area. The G4 City is located along the Almaty-Kapchagay Highway with a total land size of 486 km². The project encompasses four major districts: Gate District (business and financial hub), Golden District (knowledge and medical hub), Growing District (industrial and logistics hub) and Green District (tourism and entertainment). The project is estimated to generate over one million jobs for Kazakhstan and house more than two million of its residents by 2050.
- b) **CrimsonLogic** developed an e-judiciary system for the Astana International Financial Centre in early 2019. Following on this success, Almaty's Department of Digitalization and CrimsonLogic signed a Memorandum of Cooperation to further develop Smart City's projects in July 2021. Beyond digital government solutions, CrimsonLogic is also exploring opportunities in digital trade and logistics, leveraging on Kazakhstan's geostrategic location along the BRI route.
- c) **Meinhardt Group** provided the concept and design for Khan Shatyr Towers in Astana, which was a mixed-use development comprising residential and office complex.
- d) **Quest Ventures** is backed by the Kazakhstan sovereign wealth fund - Qazaqstan Investment Corporation (QIC formerly known as QazTech Ventures). QIC's investment into Quest Ventures saw the catalytic

development of the Central Asia startup and innovation ecosystem with Kazakhstan at its node. Through direct investments and programmes such as the Kazakhstan Digital Accelerator (a comprehensive programme with seed funding jointly developed by QIC and Quest Ventures), Quest Ventures is currently Central Asia's largest and most active investor by number of investments made.

- e) **Hawker Chan. Hersing Culinary** formed a partnership with Chef Chan to curate the first quick service restaurant which was rebranded as Hawker Chan, which serves the signature soya sauce chicken rice and noodle dishes. Hersing Culinary expanded Hawker Chan globally and set up an outlet in Almaty in 2018. Hawker Chan has built a strong customer base in Almaty, with strong presence on social media such as Instagram. Hersing Culinary has also received franchise enquiries from Kyrgyzstan and Uzbekistan, which the company is assessing for regional expansion opportunities.
- f) **SMEC Holdings Limited (SMEC)** has operated in Kazakhstan since 1995 and supported various water and transport infrastructure projects. In the transport sector, SMEC provided construction supervision services for the rehabilitation of a 38 km section of the Shymkent-Tashkent roadway, as part of the Central Asia Regional Economic Corporation (CAREC) Corridor 3 project. In the water sector, SMEC is currently overseeing implementation of the Second Irrigation and Drainage Improvement Project (IDIP-2) to rehabilitate and modernise irrigation and drainage services across the Almaty, Kyzylorda, South Kazakhstan and Zhambyl regions. IDIP2 will provide water to 10,000 farmers across 113,000 ha. More than 8,000 farmers are being trained in sustainable agricultural production technologies and efficient water management systems as part of this project.

Singapore's Capacity Building Collaboration with Kazakhstan

8 Singapore has provided capacity building expertise to Kazakhstan to aid in the country's development. Notable capacity-building initiatives includes:

- a) **Singapore Cooperation Enterprise (SCE)** worked with Kazakh Baiterek National Management Holding in 2019 to perform the road-mapping and policy recommendations to transform Kazakhstan's affordable housing programme into a single operator based on Singapore's Housing Development Board (HDB) model.

- b) **Lee Kuan Yew School of Public Policy (LKYSPP)** has an ongoing partnership with Nazarbayev University's Graduate School of Public Policy (NUGSPP) where graduates from NUGSPP visit Singapore for a two-week "Singapore Component" programme every year to learn about governance and policymaking in Singapore.