

**Name and Constituency of Member of Parliament**

**Mr Teo Siong Seng**, Nominated Member of Parliament.

**Question:**

To ask the Minister for Trade and Industry (a) whether he will provide an assessment and progress report on the several bilateral business councils set up jointly by the Government and various provincial governments of China; and (b) what is the economic impact or benefit of channelling our limited resources to servicing these business councils.

**Answer:**

Singapore has set up seven business councils in China, in the provinces of Shandong, Sichuan, Liaoning, Zhejiang, Tianjin, Jiangsu and Guangdong. Co-chaired by a Minister or a Minister-of-State<sup>1</sup>, and a Chinese counterpart of at least Vice-Governor rank, the business councils are established in provinces where Singapore companies have strong business interest. Over the years, the councils have served as useful platforms to strengthen our economic cooperation with China at the regional level.

Council meetings, usually convened annually, review the progress of bilateral trade and investment projects, and explore new areas for collaboration. Council members include representatives from government agencies and private sector from both sides. Apart from the annual meeting, secretariats of the councils, represented by IE Singapore on our side, also organise mutual visits, trade and investment missions, industry roundtables and investment promotion seminars throughout the year to promote economic linkages between Singapore and the provinces. These activities provide our companies with business matching and networking opportunities, and update our businessmen on the latest industry trends in different regions of China.

The councils have achieved notable success in facilitating SMEs' entry into China, and also in the conception of large scale projects in China. From Breadtalk, Bee Chang Hiang and Old Chang Kee opening shop fronts in shopping malls, to infrastructure projects in water treatment, power generation and integrated township development, the Councils have played facilitative roles in securing access to opportunities for Singapore firms.

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<sup>1</sup> List of the co-chairs are appended in Annex A.

Some of the large scale projects have generated economic spinoff for smaller Singapore firms. With a Singapore company as the master developer or main contractor, IE Singapore has been able to match other Singapore companies, including SMEs, to downstream projects. Some Singapore SMEs, such as First Automobile and Ednovation, have also secured projects in Tianjin and Sichuan through the facilitation of the respective councils.

The business or cooperation councils also help raise the profile of Singapore as a destination for investment, listing and regional headquarter. Through the work of the councils, increasing number of Chinese companies are starting up operations in Singapore as they internationalise.

China is a huge country. To understand China, its market dynamics and people in charge, we need to create both formal and informal opportunities to interact and learn from its leaders. In this regard, the councils provide an effective platform for leaders of both sides to engage and get to know each other. The resulting goodwill, trust and personal relationship will be helpful for future cooperation.

## Singapore's Business Councils in China

Province/City	Business Council [Date of Establishment]	Chairman/Adviser
Guangdong	Singapore-Guangdong Collaboration Council (SGCC) [Set up in Mar 2009]	Ag Min Lui Tuck Yew
Jiangsu	Singapore-Jiangsu Co-operation Council (SJCC) [Set up in Nov 2007]	Chairman: Min Khaw Boon Wan  Vice-Chairman: MOS Lee Yi Shyan
Liaoning	Singapore-Liaoning Economic and Trade Council (SLETC) [Set up in Apr 2004]	Min Gan Kim Yong
Shandong	Singapore-Shandong Business Council (SSBC) [Set up in Nov 1993]	MOS Lee Yi Shyan
Sichuan	Singapore-Sichuan Trade and Investment Council (SSTIC) [Set up in May 1996]	Advisor: Min Lim Swee Say  Chairman: MOS Koo Tsai Kee
Tianjin Municipality	Singapore-Tianjin Economic and Trade Council (STETC) [Set up in Jan 2007]	Chairman: Min Mah Bow Tan  Vice-Chairman: SMS Grace Fu
Zhejiang	Singapore-Zhejiang Economic and Trade Council (SZETC) [Set up in Nov 2003]	Min Lim Hwee Hua