

**WELCOME ADDRESS BY MINISTER FOR TRADE AND INDUSTRY
MR CHAN CHUN SING,
AT THE ARGENTINA-SINGAPORE BUSINESS FORUM
1 AUGUST 2018, 10.10-10.20AM, ENTERPRISE SINGAPORE**

His Excellency, Minister of Foreign Affairs and Worship of the Argentine Republic, Jorge Faurie

Ambassadors,

Distinguished Guests,

Ladies and Gentlemen,

Introduction

1. A good morning to all of you. It is a pleasure to join you at this Argentina-Singapore Business Forum. Let me start by extending a very warm welcome to Minister Faurie and his distinguished delegation, who have travelled quite a distance from Argentina to join us in Singapore.

Singapore's bilateral economic relations with Argentina are growing

2. Argentina is one of the largest economies in the dynamic and fast-growing Latin American region. Last year, bilateral trade between Singapore and Argentina amounted to S\$240 million, in products such as motor vehicle parts, insecticides and frozen fish. Trade in services in areas such as transport, financial and trade-related services is increasing, amounting to more than S\$200 million in 2016. We are also seeing growth

in bilateral investment flows, with the total stock of investment amounting to almost S\$600 million by the end of 2016. While these numbers are encouraging, there is certainly room for growth and we look forward to leveraging the complementarities between our economies to grow together.

3. A number of Argentine companies have already established a presence in Singapore. Tenaris, a global manufacturer and supplier of steel pipes for the energy industry, has established a sales office in Singapore. Grupo Bagó, a key player in Argentina's pharmaceutical sector, has made Singapore its regional headquarters to serve the Southeast Asian market. Conversely, a number of Singapore companies have made strategic investments in Argentina, and are benefitting from Argentina's strong location and networks. For the past 10 years, the Exolgan Container Terminal in Buenos Aires has been operated by PSA and it is part of the PSA Group. Olam International, which started with an integrated peanut supply chain in Argentina, has since expanded its activities to include soy, corn, beans and rice.

4. We see good potential for greater economic collaboration in the area of food trade. Argentina is one of the world's leading exporters of meat, in

particular beef, and fresh produce and seafood. Singaporeans love to eat, and we are always on the lookout for new and high-quality food and food products. Given our strong logistics infrastructure and networks, we hope to work with Argentine food exporters to use us not just a market, but as a platform to reach out to other parts of Southeast Asia and the rest of Asia as well. We are also taking encouraging steps to facilitate greater trade in this sector. Since February 2018, MUIS, the Islamic Council of Singapore, has authorised the export of halal-certified meat from Argentina to Singapore. We hope to soon see more Argentine food products on our shelves.

5. Beyond food sourcing, we see interesting opportunities for Singapore companies to partner Argentina in the areas of technology, education, infrastructure, transport and energy. In the technology space in particular, Argentina is emerging as a key global technology hub and source of exciting technology solutions. Argentina is home to four of Latin America's six "unicorns" – technology start-ups valued at more than US\$1 billion - including MercadoLibre, the region's most-visited e-commerce website, and Despergar.com, Latin America's largest online travel agent. There is much IT talent in Argentina, and this is an exciting time for Singapore companies in this space to explore Argentina's technology

landscape and consider possible partnerships for the Latin American region or here in Singapore.

Companies can make use of the strengthening trade infrastructure to explore new markets and partnerships

6. At the Government-level, Singapore and Argentina have been working together on a number of bilateral economic agreements to support trade and investment. I am pleased to note that we are currently in the process of negotiating a Bilateral Investment Treaty, and we have started exploratory discussions on an Avoidance of Double Taxation Agreement. Once in force, these agreements will lay the foundation for stronger bilateral trade between the two countries, and I hope that they will encourage more Singapore companies to pursue opportunities in Argentina, and vice versa.

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7. You may also have heard that, last week (23 July 2018), we launched negotiations for a MERCOSUR-Singapore Free Trade Agreement (FTA). MERCOSUR, a South American customs union comprising Argentina, Brazil, Paraguay and Uruguay, represents a collective market of more than 260 million people. The FTA would offer

our companies greater access to each other's markets. I thank Minister Faurie for his strong support for this exciting endeavor, and my team looks forward to working closely with Argentina and the rest of MERCOSUR on the negotiations. We look forward to a speedy conclusion of the negotiations as well.

8. To the Singapore companies present today: I encourage you to work closely with Enterprise Singapore (ESG) which stands ready to provide comprehensive and integrated support as you explore the business opportunities overseas, including the South American market. Enterprise Singapore, our enterprise development and trade and investment promotion agency under the Ministry of Trade and Industry, is mounting a food sourcing mission to Argentina later this month. I encourage you to reach out to Enterprise Singapore to find out more about this mission and explore partnerships with Argentinian producers. Enterprise Singapore has also worked closely with the recently-reopened Embassy of Argentina to facilitate incoming visits by Argentine food and wine producers.

Singapore can be a home for Argentine companies interested in expanding to Southeast Asia

9. To our Argentine friends: I would like to encourage you to see Singapore as your partner and friend in Asia. Southeast Asia, with a population of more than 630 million and a burgeoning middle class, presents a significant consumer market. There is growing demand for quality perishable food such as meat, seafood, and fruits and this is an area that Argentina, with its strong agricultural sector and well-deserved reputation for producing premium, organic food products, is well-equipped to address. Singapore is the third largest agri-commodities hub in the world with ready logistics infrastructure, supply chain capabilities, and strong regional connectivity. Argentine companies can therefore not only export to Singapore to meet our demand for quality produce, but also tap Singapore's network and infrastructure to service the wider Southeast Asian market. And as I was sharing with Minister Faurie earlier, later this month, we will be having a business forum that talks about the integration of the ASEAN markets with the South and Western Chinese markets through the Southern Transport Corridor, and we welcome Argentina's participation as well.

10. The Singapore Economic Development Board (EDB) can support Argentine companies looking to base their activities in Singapore. Today, there are a number of Latin American companies using Singapore as their base and launch-pad into new Asian markets. In Singapore, these

companies would find a conducive pro-business environment, and a dynamic eco-system of potential multinational and local partners. From here, companies can develop new business strategies and customized products targeted at the Asian consumer. EDB is keen to work closely with Argentine companies to help them address any challenges in navigating the Asian and Singapore markets.

Conclusion

11. I hope that the information shared and networking opportunities presented today will allow the businesses and people of both countries to grow closer together. We also hope to see the bilateral business ties continue to grow from strength to strength.

12. Thank you.

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