

MEDIA RELEASE

**SIGNING OF MEMORANDUM OF UNDERSTANDING BETWEEN
SINGAPORE AND MERCOSUR**

Singapore and Mercosur¹ (Mercado Comun Del Sur) have signed a Memorandum of Understanding on Trade and Investment Cooperation on 24 September 2007 in New York. The MOU was signed by Minister for Foreign Affairs George Yeo at the sidelines of the ongoing United Nations General Assembly in New York and the Vice-Minister for Foreign Relations of the Argentine Republic Roberto Garcia Moritan, Vice-Minister for External Relations of the Federative Republic of Brazil Jorge Taunay Filho, Minister for Foreign Affairs of the Republic of Paraguay Ruben Ramirez Lezcano and Minister for External Relations of the Oriental Republic of Uruguay Reinaldo Gargano.

The MOU will further strengthen the growing trade and investment relations between Singapore and the Mercosur countries. It will act as a useful platform for working together and exchanging expertise and information on trade and investment cooperation and promotion. The MOU will also facilitate promotional activities between the respective private sectors, including Small and Medium Enterprises (SMEs).

Bilateral trade with Latin America overall has seen healthy growth - total trade between Singapore and Latin America grew at an average of 30% year-on-year since 2004 to reach almost \$12 billion last year. Comprising almost a third of our total trade with Latin America, bilateral trade with Mercosur increased by approximately 20% between 2005 and 2006.

A number of Singapore companies have invested in Latin America in areas such as oil and gas-related logistics, food manufacturing and agro-processing, IT, port and hospitality-related infrastructure, aircraft maintenance, electronics and textiles.

The activities envisaged under the MOU (exchange of information and, trade mission and fairs, etc) will be useful in facilitating Singapore and Mercosur companies' interest in exploring business opportunities in Latin America and Asia respectively.

MINISTRY OF TRADE AND INDUSTRY, SINGAPORE
25 September 2007

¹ Mercosur or the Southern Cone Common Market comprises Argentina, Brazil, Paraguay and Uruguay. Venezuela's entry as a full member of Mercosur is being considered. Mercosur's associate members include Bolivia, Chile, Colombia, Ecuador and Peru.