

MEDIA RELEASE

Singapore and Shanghai deepen collaboration in financial services and innovation to expand gateway to respective regions

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1. Singapore and Shanghai will strengthen collaboration in financial services and innovation, as Shanghai develops the China (Shanghai) Free Trade Zone (FTZ) and spearheads the integration of the Yangtze River Delta (YRD) region¹. This was discussed at the second Singapore-Shanghai Comprehensive Cooperation Council (SSCCC) meeting today, co-chaired by Minister for Education & Second Minister for Finance, Mr Lawrence Wong, and Shanghai Mayor, Mr Gong Zheng. Vice Co-Chairmen, Minister of State for Trade and Industry & Culture, Community and Youth, Ms Low Yen Ling, and Shanghai Vice Mayor, Ms Zong Ming, were also present at the meeting.
2. The SSCCC was established in 2019 to deepen cooperation with Shanghai across six key areas: Belt and Road Initiative, Financial Services, Technology and Innovation, Ease of Doing Business, Urban Governance and People-to-People Exchanges. Good progress has been made across six areas. This includes the registration of the Monetary Authority of Singapore's (MAS) representative office in Shanghai, the launch of a joint laboratory for energy and environmental sustainability solutions for megacities between the National University of Singapore and Shanghai Jiao Tong University, and a publication sharing insights on the provision of quality and affordable housing for all. All three projects are being launched today. Another 10 MOUs are being signed at the meeting (please refer to [Annexes](#) for details).
3. As of June 2020, there are over 5,000 Singapore projects in Shanghai across sectors such as financial services, infrastructure and lifestyle, with cumulative actual investments of almost US\$18 billion. Similarly, Singapore is a key launchpad for Shanghai enterprises internationalising into Southeast Asia.

¹ Shanghai is part of the YRD region, together with Jiangsu, Zhejiang and Anhui.

4. Minister Wong said, “Singapore and Shanghai are both major hubs in the region. But we have complementary strengths and can unlock tremendous synergies by working together. We will continue to strengthen our hub-to-hub connectivity and pursue mutually beneficial collaboration. There has been concrete progress since our inaugural council meeting, especially in the area of financial services. We can build on this strong foundation to deepen the connectivity between our capital markets, and expand our collaboration in cross-border RMB initiatives and fintech.”

Growing opportunities in financial services and innovation

Financial Services Cooperation

5. Financial institutions and industry associations in Singapore and Shanghai have been actively seeking new partnerships to grow together.
 - a. DBS Bank will expand its existing partnership with Shanghai Pudong Development Bank to include financial technology and applications such as open banking, data governance and intelligent risk management.
 - b. UOB signed an MOU with Shenergy Group to establish a company to offer consumer financing that will help drive adoption of green energy products and services.
 - c. Singapore Exchange (SGX) signed two MOUs with China Central Depository and Clearing Co. Ltd (CCDC) and Guotai Junan Securities Ltd to enhance cross-border connectivity between the bond markets in Singapore and Shanghai. It is CCDC’s first comprehensive MOU of strategic cooperation with an international exchange.
 - d. Singapore FinTech Association (SFA) signed an MOU earlier this month with Shanghai FinTech Industry Alliance (SFIA) to collaborate on fintech talent exchange and to promote joint development of fintech platforms to nurture growth of fintech firms.
6. MAS also announced the successful registration of its representative office in Shanghai at the SSCCC meeting today. This will help to deepen the strong collaboration between regulatory agencies and financial institutions.

Innovation

7. As both Singapore and Shanghai grow themselves as global innovation hubs, there is room for our companies and research institutes to partner in research, productisation and commercialisation.

8. Last year, Singapore expanded the Global Innovation Alliance² (GIA) network to Shanghai through its partnership with XNode³. Both XNode and Enterprise Singapore have since conducted two runs of the GIA Accelerator Programme, supporting 15 Singapore startups in their expansion to Shanghai and China. Two startups have secured partnerships through the programme:
 - a. Singapore digital health company, Neeuro, signed an MOU with Dingbo Medtech Co., Ltd to bring Neeuro's solution in managing Attention Deficit Hyperactivity Disorder (ADHD) in children into China, as part of its market expansion plans.
 - b. Singapore robotic process automation (RPA) startup, Glee Trees Pte Ltd, will be partnering Shanghai's Aiken Digital to assist Chinese enterprises to improve their marketing outreach using RPA-enabled marketing solutions.

Annex 1: List of signings and project launches at the 2nd SSCCC Meeting

Annex 2: Opening speech by Minister Wong at the 2nd SSCCC Meeting

Annex 3: Overview of Shanghai and Singapore-Shanghai economic relations

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About Enterprise Singapore

Enterprise Singapore is the government agency championing enterprise development. We work with committed companies to build capabilities, innovate and internationalise.

We also support the growth of Singapore as a hub for global trading and startups, and build trust in Singapore's products and services through quality and standards.

Visit www.enterprisesg.gov.sg for more information.

² GIA was launched in 2017 as part of the Committee of the Future Economy (CFE) recommendations to strengthen Singapore's connections to major innovation hubs around the world. This will create more opportunities for Singaporeans, students, entrepreneurs and businesses to gain overseas experience, connect, and collaborate with their overseas counterparts.

³ XNode is a Shanghai-based startup and corporate accelerator that works with international founders to scale and with large corporates to innovate.

About Singapore-Shanghai Comprehensive Cooperation Council (SSCCC)

The Singapore-Shanghai Comprehensive Cooperation Council (SSCCC) established in April 2019, is co-chaired by Minister for Education & Second Minister for Finance Lawrence Wong and Mayor of the Shanghai Municipal People's Government Gong Zheng. Minister of State for Trade and Industry & Culture, Community and Youth Low Yen Ling and Vice Mayor of the Shanghai Municipal People's Government Zong Ming are the Vice Co-Chairmen.

The SSSCCC aims to deepen bilateral cooperation between Singapore and Shanghai and enhance connectivity between both markets. It is Shanghai's first comprehensive institutionalised platform with a foreign country.

The SSSCCC focuses on six key areas of collaboration:

- Belt and Road Initiative
- Financial Services Cooperation
- Technology and Innovation
- Ease of Doing Business
- Urban Governance
- People-to-people Exchanges

List of Signings at the 2nd SSSCC Meeting

S/No	Description
1.	Enterprise Singapore – Shanghai Municipal Commission of Commerce (SMCC) MOU to renew collaboration to facilitate investments and strengthen trade linkages
2.	SingCham Shanghai – Shanghai Federation of Industry and Commerce MOU to strengthen economic and trade cooperation between Singapore and Shanghai
3.	Singapore Exchange Ltd (SGX) – China Central Depository & Clearing Co., Ltd MOU to enhance cross-border connectivity to facilitate mutual investor access in Singapore and China, jointly develop the bond market in the Shanghai Free Trade Zone and facilitate bond listings on SGX, as well as provide Chinese bond products and services internationally
4.	Singapore Exchange Ltd (SGX) – Guotai Junan Securities Ltd MOU to partner across fixed income, currencies and commodities-related businesses and promote listings of Chinese enterprises on SGX. Guotai Junan will apply for SGX derivatives membership to offer brokerage services of the exchange's products.
5.	DBS Bank – Shanghai Pudong Development Bank MOU to expand DBS' existing partnership with Shanghai Pudong Development Bank to include financial technology and its applications
6.	UOB – Shenergy Group MOU to establish a company to offer consumer financing that will help drive adoption of green energy products and services
7.	Maritime and Port Authority of Singapore – Shanghai Maritime University on Talent Exchange MOU to enable talent exchanges in the maritime sector
8.	KK Women's and Children's Hospital – Obstetrics and Gynecology Hospital of Fudan University MOU to collaborate in medical services, training, research activities and information exchange
9.	Neeuro – Dingbo Medtech Co., Ltd MOU to exchange insights, facilitate market entry, distribution and joint activities for the use of Neeuro's solution in China
10.	Glee Trees Pte Ltd – Aiken Digital MOU to assist Chinese enterprises to improve their marketing outreach using Robotic Process Automation, and co-develop solutions to automate marketing functions

List of Project Launches at the 2nd SSCCC Meeting

1. Joint Publication: Providing Homes for All: Insights from Singapore & Shanghai

Jointly produced by Singapore's Centre for Liveable Cities⁴ (CLC) and Shanghai's Municipal Commission of Housing, Urban-Rural Development and Management, 'Providing Homes for All: Insights from Singapore & Shanghai' details Singapore and Shanghai's continued efforts in providing quality, affordable housing for their resident.

The publication is a microcosm of insights gleaned from both cities' experiences, such as encouraging the adoption of innovative technology and methods through supporting the construction industries and strengthening the bonds between residents through partnering with grassroots and the people sector to develop community-level initiatives.

2. Joint Laboratory for Energy and Environmental Sustainability Solutions for Megacities by National University of Singapore (NUS) and Shanghai Jiao Tong University (SJTU)

Building on the NUS-SJTU research collaboration in Energy and Environmental Sustainability Solutions for Megacities (E2S2) supported by NRF's CREATE programme, this joint lab will focus on environmental emerging contaminants and allow NUS and SJTU to test the project's technologies at relevant test-beds in Shanghai and potentially, in other parts of China.

3. Successful registration of MAS' Shanghai Representative Office

MAS has registered its second representative office in China. With this, MAS is the second central bank to have established offices in both Beijing and Shanghai.

⁴ Set up in 2008 by the Ministry of National Development and the then-Ministry of the Environment and Water Resources, the Centre for Liveable Cities (CLC)'s mission is to distil, create and share knowledge on liveable and sustainable cities. CLC's work spans four main areas—Research, Capability Development, Knowledge Platforms, and Advisory. For more information, visit www.clc.gov.sg.

**OPENING REMARKS BY MR LAWRENCE WONG, MINISTER FOR EDUCATION AND
SECOND MINISTER FOR FINANCE, CO-CHAIR OF THE SINGAPORE-SHANGHAI
COMPREHENSIVE COOPERATION COUNCIL (SSCCC)
AT THE 2ND SSSCC MEETING, 11 DECEMBER 2020**

Your Excellency Mayor Gong Zheng,
Vice Mayor Zong Ming,
Distinguished Guests,
Ladies and Gentlemen,

1. A very good morning to all of you. I am very happy to co-chair the 2nd Singapore-Shanghai Comprehensive Cooperation Council (SSCCC) meeting with Mayor Gong today.
2. It's unfortunate we can't have a face-to-face meeting in the usual format. But despite the pandemic, our cooperation continues uninterrupted.
3. Just three months ago, I had the pleasure of having a virtual meeting with Mayor Gong, who's also an old friend of Singapore. This morning, I'm glad to see him again as part of this council meeting.

Strong ties between Singapore and Shanghai

4. Singapore and Shanghai are like-minded partners with a common international outlook.
5. The establishment of the SSSCC further cements our relationship and deepens our cooperation in areas that go beyond trade and investment to urban governance and people-to-people exchanges.
6. Despite the ongoing pandemic, Singapore and Shanghai's economic ties remain robust.
7. Shanghai is the first port-of-call for many Singapore companies venturing into China. As of June this year, there were more than 5,000 Singapore projects in Shanghai amounting to US\$18 billion, spanning sectors from financial services, advanced manufacturing, to retail.
8. Many Singapore companies such as CapitaLand and Sembcorp have also based their China RHQ in Shanghai.

Bolstering Hub-to-Hub Connectivity

9. This year is especially significant because Singapore and China celebrate the establishment of 30 years of diplomatic relations.

10. Both sides convened a very successful Joint Council for Bilateral Cooperation (JCBC) meeting just three days ago. We discussed enhancing connectivity and public health cooperation between both countries. This is timely as China moves into its 14th Five-Year Plan, with plans to build up both its domestic market, as well as its links to the international market.

11. Between Singapore and Shanghai, there are also many opportunities for closer collaboration. We are both key hubs in Asia.

- Shanghai is the commercial centre and international gateway for China, and continues to be at the forefront of China's reform, including through major initiatives like the development of the China (Shanghai) Free Trade Zone and the integration of the Yangtze River Delta (YRD) region.
- Singapore, too is a gateway for international investors and a launchpad to Southeast Asia, and we make good partners for Chinese firms looking to expand into this part of the region.
- So as major hubs, we have complementary strengths and can unlock tremendous synergies by working together.

12. Building on the good work that has been done so far, I would like to propose that **Singapore and Shanghai continue to bolster our hub-to-hub connectivity in three key areas.**

13. **The first area is financial connectivity.** As international financial centres, Singapore and Shanghai can work together to galvanise the growth of our economies and deepen regional integration. DPM Heng Swee Keat had a bilateral meeting with Vice Premier Han Zheng during the JCBC and both leaders agreed that this area of finance is an area where we can deepen our cooperation.

14. Our financial institutions on both sides also recognise this, and have been actively seeking new opportunities to grow together. For example:

- **DBS** will expand its collaboration with **Shanghai Pudong Development Bank** to include financial technology and related applications.

- The **Singapore Exchange (SGX)** is also entering into fresh partnerships with the **China Central Depository and Clearing (CCDC)** company and **Guotai Junan Securities** to enhance cross-border connectivity between our bond markets.

15. Our central banks and regulators have worked closely to ensure that our deepening financial ties are sound and sustainable.

- Today, the successful registration of the **Monetary Authority of Singapore (MAS) Shanghai representative office** is a testament to these strong ties, and it marks a new chapter for financial cooperation between Singapore and Shanghai.

16. We should build on this strong foundation to deepen our financial connectivity in the following ways:

- **One, we can establish stronger linkages between our capital markets**, across more asset classes, including commodity derivatives, Exchange Traded Funds (ETFs) and funds.
- **Two, we can deepen collaboration on cross-border RMB initiatives.** Singapore and Shanghai can explore such cross-border RMB pilots. For example, we could consider a wealth connect for two-way portfolio flows, and cater to institutional as well as individual investors from both sides.
- **Three, we can forge greater fintech collaboration among our financial institutions.** Shanghai's collaboration with Singapore as a partner city for the Singapore Fintech Festival, which is going on right now, as well as the MOU between Shanghai Fintech Industry Alliance and the Singapore Fintech Association, are a good start.

17. **The second area where we can enhance hub-to-hub connectivity is in transport and supply chain.** Singapore and Shanghai are amongst the most connected cities in the world, and we are gateways to our respective regions.

18. Singapore Airlines and Chinese carriers continued to service the Singapore-Shanghai route, even at the height of the pandemic, although on a much-reduced capacity and frequency.

19. At the recent JCBC, our leaders agreed to work on improving the utilisation of the Singapore-China fast lane, and to progressively restore passenger flights and people-to-people exchanges between our two countries.

20. As close partners, I hope that Shanghai can be one of the earlier regions in China where we can resume air travel and people flows. I would suggest our officials from both sides can continue to discuss ways to improve the utilisation of the fast lane, and also to streamline procedures and arrangements in order to encourage more people flows. With Singapore and Shanghai's experience in managing the pandemic, we can exchange best practices on how to enhance our connectivity in a safe and orderly manner.

21. With the signing of the Regional Comprehensive Economic Partnership (RCEP), trade links between China and ASEAN will become closer. Cargo flows should be well-supported by strong air and maritime links, as well as dynamic supply chains and logistics networks.

- In this regard, I am pleased to see the signing of an MOU between **MPA and Shanghai Maritime University** on talent exchanges in areas such as port management and maritime safety.
- With our strong regional logistics network, Singapore is also well-positioned to transport, store and distribute COVID-19 vaccines and test kits in Southeast Asia. We will be happy to work with Shanghai companies that would like to tap Singapore's logistics network for this purpose.

22. **The third area of hub-to-hub connectivity is for Singapore and Shanghai to enhance our innovation linkages.**

23. We have made good progress through our Global Innovation Alliance (GIA) node in Shanghai, and joint innovation call with the Science and Technology Commission of Shanghai Municipality (STCSM).

24. I am pleased to see that two startups from the GIA Shanghai programme will be signing MOUs with their Shanghai partners to pilot their solutions together. We also welcome more promising Shanghai startups to venture to the region through Singapore.

25. On the research front, I am also very glad that the National University of Singapore (NUS) and Shanghai Jiao Tong University are building on their collaboration efforts in environmental sustainability, and will be launching a joint laboratory later.

26. The possibilities for collaboration in innovation and research are immense. Amidst the pandemic, an area we could further explore is healthcare and biomedical sciences. Given that the YRD region has one of China's most established biomedical ecosystems, we look forward to work with Shanghai to explore such opportunities.

Conclusion

27. To conclude, COVID-19 may have changed the way we work and connect with one another. But it has not diminished the shared desire for Singapore and Shanghai to work hand-in-hand.

28. To our Shanghai friends, I assure you that Singapore is fully committed to strengthen our comprehensive cooperation with you, and to take our relationship to a higher level.

29. I look forward to the discussion later, and wish this meeting a great success. Thank you.

Background on Shanghai

- Shanghai is China's key economic centre. From January to September 2020, its GDP showed steady recovery to hit RMB 2.7 trillion⁵, recording a decline of 0.3% year-on-year. Trade over the same period grew 1.7% to reach RMB 2.5 trillion, and actual Foreign Direct Investment grew 6.1% to reach US\$15.5 billion. Its GDP growth was fuelled by IT and infocomm-related services and financial services.
- Shanghai also has the strongest spending power among Chinese cities, with an urban per capita expenditure of about RMB 56,994 in the first three quarters of 2020.
- To achieve its goal of becoming an international centre of economy, finance, trade, shipping, and technological innovation (or "five centres"), Shanghai has been focusing on developing its Free Trade Zone, promoting innovation through the Zhangjiang Science City, and revitalising its manufacturing sector.

Overview of Singapore-Shanghai Economic Relations

- Singapore companies continue to see Shanghai as an attractive investment destination due to the rising demand for mid to high-end goods and services driven by the growing affluence of Shanghai's resident population.
- As of end June 2020, Singapore was Shanghai's third largest investor. There are over 5,000 Singapore projects in Shanghai, with cumulative actual investments of almost US\$18 billion⁶.
- Most of Singapore's investments in Shanghai are in infrastructure, financial and insurance services, manufacturing, retail and wholesale trade.

⁵ Source: Shanghai Municipal Commission of Commerce (SMCC) and Shanghai Municipal Statistics Bureau.

⁶ Source: SMCC