

MEDIA RELEASE

Guangdong remains Singapore's top provincial trading partner in 2022; two-way trade hits record annual high

Collaborations deepen and expand into new areas such as sustainability and green economy, digital economy and smart cities and health & biomedical

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1. Economic ties between Singapore and Guangdong remained strong, as Guangdong continues to be Singapore's top Chinese provincial trading partner for 34 consecutive years. Two-way trade grew 17% year on year to reach a record US\$23.1 billion in 2022. Bilateral trade also jumped 54% in 1Q 2023 from a year earlier to reach US\$ 6.7 billion, following the reopening of China.
2. Riding on this strong foundation of Singapore-Guangdong cooperation, Singapore companies will get more opportunities to partner their counterparts in Guangdong, as both sides agreed to explore new areas of cooperation in sustainability and green economy, digital economy and smart cities, as well as in health and biomedical. Co-Chairmen of the Singapore-Guangdong Collaboration Council (SGCC) – Minister for Health, Mr Ong Ye Kung and Guangdong Governor, Mr Wang Weizhong – today signed a Memorandum of Understanding (MOU) for the three new areas of cooperation under the renewal of the SGCC. Under the MOU, both sides also agreed to deepen collaboration in existing areas¹ such as trade and investment, technology and innovation, financial services, talent and people-to-people exchanges.
3. Minister Ong said, "Singapore and China recently upgraded bilateral relations to an "All-Round High-Quality Future-Oriented Partnership", reaffirming the joint commitment to continue expanding two-way cooperation and pursuing collaboration in forward-looking areas. Guangdong is the pioneer in China for "Reform and Opening Up", and the SGCC

¹ The seven areas of cooperation are: i) Trade and investment; ii) Financial services; iii) Talent and people-to-people exchange; iv) Digital economy and smart cities; v) Technology and innovation; vi) Sustainability and green economy; and vii) Health and biomedical.

is an important platform to foster fruitful partnerships between Singapore and Guangdong, as well as the Greater Bay Area. The areas of cooperation under the SGCC renewal MOU are aligned with the key areas of interest discussed between our leaders during Prime Minister Lee's recent visit to China and reflect the 'high-quality' and 'future-oriented' aspects of our bilateral aspiration.

4. A total of 21 project agreements were also signed at the 13th SGCC, demonstrating strong business interest by Singapore and Guangdong companies to partner each other.

Opportunities for Singapore companies in three new areas of collaboration under the SGCC renewal MOU

5. The 13th SGCC meeting noted that Singapore and China share common sustainability goals and can work together on more collaborations in this area. Under the renewal MOU, both sides will promote the development and adaptation of sustainable solutions in Singapore and Guangdong, in areas such as transport technologies, water and waste management, energy efficiency enhancements, and carbon management.
6. Some Singapore companies are already tapping opportunities in Guangdong to launch green initiatives and projects. For example, Keppel signed an MOU at the 13th SGCC meeting to introduce scalable and future-proofed Energy-as-a-Service solutions (EaaS) in the CSGKC. ComfortDelGro also inked an MOU at the meeting with Guangzhou Public Transportation Group to collaborate on green energy initiatives.
7. In the new area of digital economy and smart cities, Singapore and Guangdong will support our smart solution providers to jointly explore models in developing smart cities and partnerships in cross-border data flow. Both Singapore and Guangdong will also encourage health and biomedical collaborations and exchanges between companies, research institutions and researchers. Singapore companies that have started to undertake projects in this area include Biosyngen and Lion TCR – they signed agreements respectively with their Guangdong partners at the 13th SGCC meeting to work together on research and clinical trials.

Good progress in key platform projects

8. The **China-Singapore Guangzhou Knowledge City (CSGKC)** and the **Singapore-China (Shenzhen) Smart City Initiative (SCI)** remain key anchor platforms for

Singapore to participate in the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), and drive initiatives in areas of common interest between Singapore and Guangdong.

9. Elevated to a State-level Bilateral Cooperation project in 2018, the CSGKC achieved a GDP of RMB5.11 billion in 1Q 2023, an almost 10% increase compared to the same period in 2022. More than 40 Singapore companies are currently present in the CSGKC. One such firm is NCS Singapore, which set up its Greater Bay New Tech Delivery Centre (GBnDC) in the CSGKC to strengthen its digital innovation and delivery service network in China. DBS Bank will also establish the DBS Tech China in the CSGKC to facilitate innovation and technology developments in the GBA, in the bank's third such project globally, after Singapore and India.
10. To further encourage Singapore companies to leverage the CSGKC as a landing pad, Enterprise Singapore (EnterpriseSG), CSGKC Administrative Committee and CSGKC Investment & Development Co., Ltd signed an MOU at the 13th SGCC to introduce more support for Singapore companies to set up in the CSGKC. Some of these measures include incentives to encourage market entry and technology commercialisation, as well as support for talent attraction.
11. The SCI continues to play a pivotal role to boost digital collaboration between Singapore and Guangdong. A total of 29 projects in the areas of digital connectivity, innovation and entrepreneurship and talent exchange and development, have been initiated since 2020 to bolster cooperation and innovation between Singapore and Shenzhen.

Annex 1: List of projects signings at the 13th SGCC meeting

Annex 2: Opening speech by Minister Ong Ye Kung at the 13th SGCC meeting

Annex 3: Background on Guangdong

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About Enterprise Singapore

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About Singapore-Guangdong Collaboration Council meeting

The Singapore-Guangdong Collaboration Council (SGCC) was established on 24 March 2009, with the objective of promoting broader exchanges and cooperation between the business communities of Singapore and Guangdong. The launch of the SGCC was witnessed by then-Singapore Senior Minister Goh Chok Tong and then-Guangdong Party Secretary Wang Yang. Minister for Health, Ong Ye Kung, and Guangdong Governor Wang Weizhong are the Co-Chairmen of the Council.

Comprising leaders, government officials and private sector representatives from Singapore and Guangdong, the SGCC aims to promote cooperation between Singapore and Guangdong beyond economic areas, including training, tourism and education exchanges.

List of project signings at the 13th SGCC

1	Enterprise Singapore – China-Singapore Guangzhou Knowledge City Administrative Committee – China-Singapore Guangzhou Knowledge City Investment & Development Co., Ltd Cooperation agreement on promoting innovation and industrial development between Singapore and China
2	AEM Singapore Pte Ltd – VCOM MOU to empower the Chinese educational industry with world-class educational equipment for technical talent training.
3	Biosyngen Pte Ltd – Guangzhou Development District Administrative Committee – Knowledge City (Guangzhou) Investment Group Co., Ltd. Agreement to jointly set up the China-Singapore Technology Innovation and Translational Medicine Centre for Tumour Prevention and Treatment.
4	Business China – Nanyang Technological University, Singapore – China-Singapore Guangzhou Knowledge City Investment & Development Co., Ltd MOU to jointly cooperate and develop China-Singapore (Guangzhou) Knowledge City into a leading platform for international culture, talent and academic exchanges.
5	China-Singapore International Joint Research Institute – Guangzhou Development District Administrative Committee – Oriental Energy Co., Ltd Strategic cooperation framework agreement between the parties.
6	ComfortDelGro Corporation Limited – Guangzhou Public Transport Group MOU to establish strategic cooperation on green energy initiatives.
7	DBS Bank Ltd – China-Singapore Guangzhou Knowledge City Administrative Committee – China-Singapore Guangzhou Knowledge City Investment & Development Co., Ltd MOU to establish collaboration in DBS's third Global Fintech R&D Centre project.
8	EE Music Singapore Pte Ltd – Shenzhen Shenkun Technology Co., Ltd MOU to jointly develop an “AI Smart Music Metaverse Interactive System and Device”.
9	IC Carrier Technologies Pte Ltd – Xidian University Guangzhou Institute of Technology MOU on establishing the “Advanced Packaging Technology Research Center for Gallium Nitride Devices and Integrated Circuits”.
10	IPOS International – China-Singapore International Intellectual Property Innovation Service Centre – China-Singapore Guangzhou Knowledge City Administrative Committee Collaboration agreement to co-develop the China-Singapore International Intellectual Property Training Base
11	Keppel (Infrastructure Division) – China-Singapore Guangzhou Knowledge City Investment & Development Co., Ltd

	MOU on strategic partnership to design and implement scalable and future-proof sustainable, smart energy-as-a-service in China-Singapore Guangzhou Knowledge City.
12	Lion TCR Pte Ltd – Guangzhou Industrial Investment and Capital Operation Holding Group Ltd – Guoju Investment – CSPC NARD Capital Investment agreement between the parties
13	National Centre for Infectious Disease – Liwan District Government of Guangzhou – Guangzhou Institute of Respiratory Health (Clinical Base of Guangzhou Laboratory) – Guangzhou New Boundary Health Industry Operation Co., Ltd MOU to spearhead the collaboration between Singapore's National Centre for Infectious Disease and Guangzhou Institute of Respiratory Health and its related medical institutions, in areas such as clinical trials, talent development, academic and management exchanges.
14	NCS (China) Co. Ltd – China-Singapore Guangzhou Knowledge City Administrative Committee Cooperation agreement on co-construction of NCS Greater Bay New Tech Delivery Centre (GBnDC)
15	Overseas-Chinese Banking Corporation Limited – Nansha Technology Financial Holding Group Strategic cooperation framework agreement between both parties.
16	OCBC Wing Hang Bank (China) Limited – CIMC Capital Ltd. MOU of comprehensive collaboration between both parties.
17	Rehabilitation Research Institute of Singapore (RRIS), NTU – Guangdong Jianxiang Hospital Group Collaboration agreement on industry research in mobility rehabilitation robots.
18	RSI International Consultants Pte Ltd – Zhongshan Tsuihang New District Management Committee – Bayon Biomedical MOU to set up medical device industrial park
19	Surbana Jurong Consultants Pte Ltd – ASEAN-Greater Bay Area Research Institute, Shenzhen University MOU on digitalisation and sustainable development of the industrial parks in ASEAN and the Greater Bay Area.
20	United Overseas Bank (China) Co., Ltd – Guangdong Guangxin Holdings Group Ltd. MOU on collaboration in Guangxin Group's ASEAN business expansion plan
21	YHS (Singapore) Pte Ltd – Guangdong Salt Industry Group-Guangzhou Company MOU to collaborate in Yeo's beverage innovation project.

**OPENING REMARKS BY MR ONG YE KUNG, MINISTER FOR HEALTH, CO-CHAIR OF
THE SINGAPORE-GUANGDONG COLLABORATION COUNCIL (SGCC) AT THE 13th
SGCC MEETING, 26 JUNE 2023**

尊敬的王伟中省长，孙海燕大使

各位来宾，

女士们、先生们

大家上午好！

1. 我很荣幸今天能够与王省长共同主持新加坡-广东合作理事会第十三次会议。诚挚欢迎所有来自广东的嘉宾朋友。
2. 本次大会是疫情后我们首次线下相聚的会议；这也是我与王省长首次共同主持的会议；所以意义重大。让我们双方继续努力，把新粤合作理事会建立成为新-中两国加强合作和交流的首要平台。
3. 接下来，我会以英语发言。

All-Round, High-Quality, Future-Oriented Partnership

4. Singapore and China have longstanding, rich, multi-faceted and mutually beneficial relations, underpinned by strong people-to-people ties. Singapore held the consistent view that an economically prosperous China that is open to the world, is better for Singapore and our region.

5. Over the years, our bilateral relations have progressed and evolved with the times, leveraging our respective strengths and capabilities. Unfortunately, COVID-19 struck, which disrupted our cooperation. But nevertheless, we pressed on however possible. Now, the pandemic crisis is over, and our activities and projects are back on track.

6. Since China relaxed its travel restrictions early this year, flight connectivity between our countries has improved steadily, with direct flights serving the two countries daily. This has ignited the excitement of businesses and people in both countries, and we have seen travel between Singapore and China picking up significantly.

7. In March, I was with Prime Minister Lee Hsien Loong when he visited China and met with President Xi Jinping in Beijing. Both leaders reaffirmed the strong ties between Singapore and China, and agreed to upgrade bilateral relations to an “All-Round High-Quality Future-Oriented Partnership” (全方位高质量的前瞻性伙伴关系).

8. I see this upgraded partnership as both a description as well as a vision. It guides us to expand bilateral cooperation and pursue collaboration in forward-looking areas with great future potential, such as in the areas of finance, health, and digital and green economies.

9. In this regard, I feel optimistic about Singapore-Guangdong cooperation. Guangdong has always been at the frontier of China’s effort to reform and open up; the Greater Bay Area will be an important demonstration of the future China economy. This makes the SGCC a strategic platform to foster new cooperations, to demonstrate the intent and spirit of this upgraded partnership.

Singapore and Guangdong have strong and resilient economic relations

10. Let me now go into some specifics of Singapore-Guangdong relations.

11. Guangdong is a key partner for Singapore in trade and investment:

a. Guangdong has been Singapore’s top Chinese provincial trading partner for 34 consecutive years. Total bilateral trade in 2022 is US\$ 23.1 billion, representing an increase of 17% y-o-y, contributed by a post pandemic rebound.

b. On the investment front, actual flows from Singapore to Guangdong have remained resilient at about RMB 7 billion annually over the past three years, despite the pandemic.

12. Singapore companies remain keen to further their commercial interest in Guangdong. Their enthusiasm and interest to participate in China’s growth remain strong. This is testament to the resilient ties that Singapore and Guangdong share, and the conducive business environment that Guangdong has built up. This is evident from the 21 projects that will be signed later, ranging from sustainability & green economy to financial services and health & biomed.

Good progress in CSGKC and SCI, and other areas of collaboration

13. Singapore and Guangdong's relationship is anchored by two platform projects – China-Singapore Guangzhou Knowledge City (CSGKC), and Shenzhen Smart City Initiative (SCI).

- a. **CSGKC**. I made my first visit to the CSGKC in almost 4 years in March and was pleased to see the rapid development of the project. For instance, the GKC Knowledge Tower (知识塔), which was just barren land when I last visited, is now over 40 storeys high. There were also other new developments like the China-Singapore Smart Park (中新智慧园), and SingChin Academy (广州华侨学校). Such amenities will entrench the attractiveness and vibrancy of the CSGKC, which will serve as a landing pad for Singapore companies looking to explore opportunities in Guangzhou and the GBA. I am very pleased that EnterpriseSG, the Guangzhou Development District and GKC JV Co will be signing an agreement later today, when they will announce special measures to support more Singapore companies to land and expand in CSGKC.
- b. As for **SCI**, both parties have initiated 29 projects in the areas of Digital Connectivity, Innovation and Entrepreneurship, and Talent Exchange over the past three years despite the pandemic. This momentum is testament to how SCI bolsters cooperation in digital economy and smart cities, and tech and innovation between Singapore and Shenzhen.

14. Other than our platform projects, we also made significant progress in our collaboration in focus areas of Tech, Finance, Green and Digital.

- a. **Tech**. We are strengthening our collaboration in tech and innovation, through the launch of the inaugural Singapore-China (Shenzhen) Joint Innovation Call in May. This initiative brings together Singapore and Shenzhen companies to co-innovate and co-create solutions, and I understand that the response from enterprises have been very encouraging with over 50 applications to date. This is in addition to the existing NTU's China-Singapore International Joint Research Institute in the CSGKC, where they carry out joint research with the South China University of Technology (华南理工大学), in areas such as new energy and material science.
- b. **Financial**. MAS and the Guangdong Financial Regulatory Bureau are working closely to explore how finance can better support the digital and green

transformation of our economies. Singapore financial institutions have also built steadfast partnerships with their Guangdong counterparts, and this has allowed them to do more in our respective markets. For instance:

- DBS will be establishing its DBS Tech China project in the CSGKC, which is expected to grow to 2,000 strong within three years. This is DBS' third project of such a nature globally.
- SGX and Bank of China (Singapore) facilitated the issuance and listing of green debts by Guangzhou SOEs in Singapore, with US\$323 million raised to date.
- **Green, Digital and Health**. Building on this strong foundation of Singapore-Guangdong cooperation, Governor Wang and I will be signing the SGCC renewal MOU later. Besides seeking to deepen our collaboration in areas with clear momentum such as Tech & Innovation and Financial Services, we also hope to extend our cooperation into newer areas such as Sustainability and Green Economy, Digital Economy, as well as Health & Biomedical. These are exciting new areas that are high-quality and forward looking.

Green, Digital and Health

15. For example, in **Green Economy**, both Singapore and China share common sustainability goals of peaking carbon emissions by 2030 and have launched detailed roadmaps to achieve this.

- a. At the enterprise level, I hope to see more collaborations on green and sustainability, such as ComfortDelgro's collaboration with their Guangzhou partner on new energy solutions such as EV charging and energy storage.
- b. NTU and the Guangdong Climate Centre (广东气候中心) signed an MOU during the 12th SGCC to jointly lay the foundations for a province-wide flood parametric insurance programme (洪水灾害指数保险) for Guangdong. I hope to see continuity of such projects.

16. For the **Digital Economy**, one area that we should continue to work on is for Singapore, China and ASEAN member states to build consensus on the norms that support digital trade

and data flows. We have already made headway in Shenzhen with the completion of technical trials for blockchain-enabled digital trade, and are working on pilots with live transactions.

17. For **Health and Biomedical**, the Singapore Ministry of Health is working with renowned Guangdong medical institutions such as the Guangzhou Institute of Respiratory Health (广州市呼吸健康研究院) to strengthen our collaboration in joint research and clinical trials, particularly in area of infectious respiratory health. Companies like Lion TCR and Biosyngen are also working with other Guangdong institutions on their cancer research and clinical trials.

Conclusion

18. I am very heartened that the collaboration between Singapore and Guangdong continues to grow despite the pandemic crisis, which has disrupted the global economy significantly. It shows the sincerity and resilience of our collaboration. Underlying this is the commitment of leaders, who recognise the mutual benefit of cooperation, and constantly driving for results.

19. On this note, I would like to thank Governor Wang for his strong leadership and support. I look forward to working with Governor to deepen Singapore and Guangdong's all-round cooperation. I wish everyone a fruitful meeting, and our friends from Guangdong an enjoyable and enriching stay in Singapore. Thank you.

Background on Guangdong

- Guangdong is China's most populous province and its largest economy at the provincial level. Guangdong's GDP reached RMB 12.9 trillion, taking up 10.7% of China's total GDP in 2022².
- Guangdong is also one of China's key manufacturing bases, with the secondary industry taking up about 40.9% of Guangdong's economy in 2022. Key industrial outputs include (a) electronics; (b) automobiles; (c) home appliances; (d) textiles and furniture; and (e) petrochemicals and steel.
- Over the past decade, Guangdong has been transforming its economy, with efforts aimed at upgrading its manufacturing industry, and growing its services and innovation sectors.

Background on Singapore-Guangdong economic relations³

- In 2022, total bilateral trade between Singapore and Guangdong increased by 17% to reach USD 23.1 billion.
- Guangdong has been Singapore's top provincial trading partner in China for 34 years in 2022.
- Singapore has three key G-G engagement platforms with Guangdong, namely (a) the Singapore-Guangdong Collaboration Council; (b) the China-Singapore Guangzhou Knowledge City which was elevated to a State-Level Bilateral Cooperation Project in November 2018; and (c) the China-Singapore (Shenzhen) Smart City Initiative which was launched in October 2019.

² Source: Guangdong Statistical Bureau.

³ Source: Guangdong Customs and Guangdong Bureau of Investment Promotion.