

**Speech by Minister of State for Trade and Industry Alvin Tan at the Inaugural Latin America-Singapore Connect on “Expanding Horizons: Uncovering Success in Mexico and Brazil”,
28 July 2023, 9.05am at the Singapore Business Federation**

Your Excellency **Agustin García-López Loeza**, Ambassador of the United Mexican States to Singapore;

Your Excellency **Eugenia Barthelmess**, Ambassador of the Federative Republic of Brazil to Singapore;

Mr **Prasoon Mukherjee**, Chairman Singapore Business Federation’s Latin American Business Group;

Colleagues from **Enterprise Singapore** and **Singapore Business Federation**

Distinguished Guests, Ladies and Gentlemen,

1. Good morning, *buenos días* and *bom dia*.
2. Thank you EnterpriseSG and SBF for inviting me here at the inaugural **Latin America - Singapore Connect**.

Forging ahead with the Latin America - Singapore Economic Partnership

3. Latin America and Singapore enjoy excellent economic ties.
 - a. Our relationship dates back to the 16th century. Many of you here will be familiar with the history of the Manila Galleon, which connected Latin America and Asia. It was the first shipping service between Mexico and the Philippines, and paved the way for regular interactions between our regions, cultures, and peoples.
 - b. 500 years later, trade and investment ties between Latin America and Singapore continue to grow, even during the recent pandemic.
4. Today, we launch the **Latin America – Singapore Connect** to deepen our trade and investment relations.
 - a. This builds on foundations of the **Latin Asia Business Forum** which was held in Singapore from the early 2000s to mid-2010s. This was the first regular and high-level platform aimed at fostering trade and investment linkages between both regions.
 - b. Over 12 editions, we raised awareness of growing opportunities in Latin America and Asia, and forged important connections between our government and business communities. We have made significant progress since, and we are now entering a new phase in our relationship.

- c. The new **Latin America - Singapore Connect** series of events is designed to provide more regular and targeted platforms for engagement. Through sectoral themes and a stronger emphasis on business matching, this platform will facilitate more business engagements and generate new leads for our companies in areas such as trade, manufacturing, and innovation.
- d. To our Latin American and Singapore businesses, please take full advantage of these networking opportunities.

Why Latin America?

- 5. To achieve their full potential, businesses understand that they must expand their horizons and capture new opportunities beyond our immediate shores.
- 6. So why Latin America? Latin America is an increasingly important region for Singapore. Allow me to share three reasons.
- 7. First, it represents **new market opportunities** for Singapore companies.
 - a. Latin America is a large, diverse, and economically dynamic region with a rapidly growing consumer class, with a population of over 660 million.
 - b. Over the years, a significant number of Singapore companies have established their presence there, in sectors such as manufacturing, infrastructure, energy, agri-commodities, hospitality, and digital solutions. Last year, trade in goods between Latin America and Singapore reached almost US\$25B.
 - c. At the government-to-government level, we are working on new free trade agreements (FTAs) with two economic blocs in Latin America: **Pacific Alliance**, comprising Mexico, Chile, Colombia and Peru; and **MERCOSUR**, comprising Brazil, Argentina, Paraguay and Uruguay.
 - d. We signed the Pacific Alliance-Singapore FTA and hope it will be brought into force by signatories soon. The MERCOSUR-Singapore FTA is also in the final stages of negotiation. When these agreements eventually come into effect, our companies can access new market opportunities in two of the most dynamic economic groupings in Latin America.
- 8. Second, Latin America is a **significant source market for agri-commodities, food, and food products**.
 - a. In line with Singapore's food diversification strategy for resilience, we are keen to increase our imports of meat, fruit, vegetables, and superfoods from the region. In recent years, we have seen a greater variety of such imports from Latin America, including pork from Mexico.
 - b. Our regulatory agencies are also unlocking potential for agri-food trade. If you are an importer, distributor or retailer, please explore Latin American produce and products for consumers in Singapore and Southeast Asia.

9. Third, Latin America's innovation ecosystem is thriving. With its dense network of multinationals, corporates, startups and R&D centres, Latin America can be a **rich source of innovation partnerships** for Singapore companies.
- a. Did you know that the number of unicorns in Latin America increased from 2 in 2018 to more than 30 today?
 - b. Many global companies are establishing new R&D and corporate innovation arms in Latin America to innovate for, and with, its consumers in the region. We are seeing exciting developments in Latin America in the areas of fintech, sustainable development, artificial intelligence, and e-mobility.
 - c. There is great potential for our companies to co-innovate and co-create new products and services for our communities.

Mexico and Brazil as Key Partners in the Region

10. Mexico and Brazil are the two largest economies in Latin America and key partners for Singapore.
11. Brazil, the 10th largest economy in the world, is Singapore's largest trading partner in Latin America, with bilateral trade amounting to US\$9.8B in 2022.
- a. Brazil is our largest source of frozen meat as well as niobium, a rare earth metal used in alloys for everything from jet engines to oil and gas pipelines.
 - b. Singapore companies are present in the Brazilian market in sectors such as agri-commodities, oil and gas, and manufacturing. In the tech space, Sea Group and Graymatics have been expanding in Brazil.
 - c. Large Brazilian corporates have also made Singapore their home in Asia, such as Braskem, Embraer, and BRF. Many have started exploring or expanding their activities in Singapore. For example, Marco Polo, one of Brazil's largest bus manufacturing companies, has expanded its corporate innovation initiatives in Singapore, including scouting for Singapore startup solutions to address its innovation needs.
 - d. Next year, Brazil will play a significant global role as G20 President.
12. Mexico, too, is a key economic partner for Singapore. It is our third largest trading partner in the region, with bilateral trade amounting to US\$4.6B in 2022.
- a. Last year, I made two visits to Mexico to engage its thriving tech community.
 - b. Singapore companies' interest in Mexico's diversified and externally oriented market remain high. Last year, our Singapore Precision Engineering and Technology Association (SPETA) led a delegation of Singapore manufacturing companies to explore Mexico as a manufacturing base. Singapore companies such as Sunningdale Tech and Midsouth are

expanding in Mexico to capture opportunities from Mexico's proximity to, and deep integration with, North America.

- c. Earlier this month, Singapore hosted a high-level delegation from Guanajuato, a manufacturing hub in Mexico's central region, particularly in automotive manufacturing. To our Singapore companies, please explore these opportunities in these dynamic regions.

Looking to the Future

13. MTI, together with our agencies and industry partners, remains committed to engaging the Latin American region to uncover new opportunities for trade, investment, and collaboration.
 - a. Our companies will forge more connections under the new **Latin America - Singapore Connect**. In the coming months, there will be more **Latin America - Singapore Connect** events, held in conjunction with key events in Singapore, including Industrial Transformation Asia Pacific (ITAP) and the Singapore Week of Innovation and Technology (SWITCH).
 - b. Huge thanks to our Ambassadors and friends from the Latin American embassies in Singapore for your continued support. Your deep knowledge of, and rich networks in, the region are invaluable for us and our companies.
 - c. I also challenge our Singapore-based Trade Associations and Chambers (TACs) to build new institutional partnerships with your Latin American counterparts. Please encourage your members to explore business opportunities in the region. Through trade missions and exchanges, we can build greater familiarity among Singapore companies with Latin America. Your support will be vital to the success of our efforts to drive deeper connections and collaboration.
 - d. Thank you SBF for your steadfast partnership. As Singapore's apex business chamber, SBF has worked closely with MTI and EnterpriseSG to help our SMEs expand and venture overseas.
14. Finally, I would like to thank the Ambassadors of Brazil and Mexico, as well as your staff, who have been excellent partners as we work towards our common goal of greater economic engagement.
Muito obrigado and muchas gracias.

Conclusion

15. Congrats EnterpriseSG on launching the **Latin America - Singapore Connect**. Thank you and SBF for bringing us together this morning.
16. I trust that the interactions today and at future events will lead to new and meaningful partnerships that will enable our countries to prosper together.