



MEDIA STATEMENT

IE Singapore witnesses increased business interest in rapidly growing Central China

Minister of State Teo Ser Luck leads Singapore companies to Wuhan on inaugural SilkAir flight

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Singapore, Tuesday, 24 April 2012

1. International Enterprise (IE) Singapore sees the early fruits of touting Central China¹. To address increasing interest from Singapore companies, the agency driving Singapore's external economy organised an urban solutions mission to Wuhan, capital city of Hubei from 24 to 26 April 2012. Led by Mr Teo Ser Luck, Minister of State for Trade and Industry (MOS Teo), the business delegation consists of 9 Singapore urban solutions companies. IE Singapore, together with Centre for Liveable Cities (CLC), organised the "Singapore-Wuhan Urban Development Forum" to increase mindshare of Singapore's capabilities in the city.

Growing interest in Central China

2. Against a backdrop of strong growth at 10.6%², IE Singapore set up its Wuhan office in late 2010. The city of Wuhan straddles the Yangtze River, China's main waterway; and developed air, road and rail links to inland and coastal China makes Wuhan's location strategic. The agency has seen growing interest in the region, having facilitated 10 market study and business trips over the past year.

¹ Central China consists of six provinces – Anhui, Henan, Hubei, Hunan, Jiangxi and Shanxi

² Average growth rate of Central China in 2009. Source: China Statistical Yearbook, 2009 and Department of Commerce from the respective 6 Central Provinces

3. In 2011, Singapore's total trade with Hubei increased 19.7% to reach US\$533 million, while Singapore companies' investments into the province grew 16.6% to US\$193.6 million. Singapore is currently Hubei's 4th largest foreign investor.
4. Also recognising Central China's growth potential, SilkAir launched a direct flight service between Singapore and Wuhan. This follows the airline's new service in October 2011 to Changsha, Hunan, another Central China province, enhancing Singapore's connectivity to the region.

Opportunities in urban solutions

5. Hubei's ramp up in infrastructure, transport links and supporting services is fuelling its growth. IE Singapore sees potential for Singapore companies to contribute in urban solutions.
6. The "Singapore-Wuhan Urban Development Forum" on 25 April will feature Dr Liu Thai Ker, and companies including Hyflux and IDA International. Increasing Hubei's understanding of Singapore's expertise in urban development will open up new channels for business co-operation with local leaders and businesses.
7. A new collaboration in this area includes Singapore-based EnGro Corporation Limited's (EnGro) joint venture company with Wuhan Iron and Steel (Group) Corporation (WuGang)³, namely, Wuhan Wuxin Materials Co., Ltd. EnGro is expanding the existing annual 1.2 million ton Ground Granulated Blastfurnace Slag⁴ (GGBS) production capacity of the Wuhan joint venture plant. An additional RMB284 million (S\$57 million) will be invested to install additional production lines that would add to 1.8 million tons of annual production capability. This brings EnGro's annual GGBS production capacity in China to 8.4 million tons, making EnGro one of China's largest producers of GGBS.
8. MOS Teo will travel to Wuhan on SilkAir's inaugural flight with the delegation. He will attend the commemoration ceremony, together with Hubei Senior Minister Duan Lunyi and Wuhan Vice Mayor Liu Liyong. On 26 April, he will witness the contract signing between EnGro and WuGang. MOS Teo will also call on Senior Minister Duan on this trip.

³ One of China's top three iron and steel companies

⁴ Formed in 2010 and located in Wuhan, Wuhan Wuxin Materials Co., Ltd recycles the granulated blast-furnace slag, a by-product of WuGang's iron and steel plants, into eco-friendly specialty cement known as Ground Granulated Blastfurnace Slag (GGBS).

9. Other Singapore projects in Hubei include (non-exhaustive list):
- i. Ascott's service apartments in Wuhan Economic and Technological Development Zone.
 - ii. Wilmar's joint venture in refinery and packaging business.
 - iii. CapitaMall Asia's 7-storey shopping mall project in Qiaokou district, Wuhan.
 - iv. Armstrong Industrial Corporation Limited's investment in manufacturing facility.

Annex: Chinese terms

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Note to Editor

Please use 'IE Singapore' or 'IE' if an acronym for 'International Enterprise Singapore' is required. In addition, unless otherwise stated, the use of statistics cited in our media releases, website or Statlink, should be attributed to IE Singapore.

Issued by IE Singapore. For media enquiries, please contact:

Ms AW Xiuxing

Corporate Communications Group

DID : 65 6433 4722

Phone : 65 9155 0433

Email : aw_xiuxing@iesingapore.gov.sg

International Enterprise Singapore

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We partner Singapore-based companies in their international expansion through our "3C" framework of assistance (Connections, Competency and Capital), and through our global network in over 35 locations spanning many emerging markets.

We also anchor global trading companies in Singapore and position the country as a base to expand into the region in partnership with Singapore-based companies.

Visit www.iesingapore.com for more information.

ANNEX**Chinese terms**

International Enterprise (IE) Singapore	新加坡国际企业发展局（简称：企发局）
Mr Teo Ser luck Minister of State for Trade and Industry	张思乐先生 新加坡贸易及工业部政务部长
Mr Duan Lunyi Hubei Senior Minister	段轮一先生 湖北省政府资政
Mr Liu Liyong Wuhan Vice Mayor	刘力勇先生 武汉市副市长
Singapore-Wuhan Urban Development Forum	新加坡城市发展规划论坛