

**Keynote Address by Minister Gan Kim Yong,  
Minister for Trade and Industry  
at the Africa Singapore Business Forum 2023  
29 August 2023**

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Your Excellencies,  
Ladies and Gentlemen,  
Good morning.

**Introduction**

1. I am delighted to see all of you here at the seventh edition of the Africa Singapore Business Forum. A warm welcome to our friends and guests from Africa and Asia! Your presence will help build stronger and deeper Africa-Singapore relations.

2. The Africa Singapore Business Forum brings together industry leaders to share with us their insights on the African growth story, helps businesses to find partners, and connects two fast-growing regions: Africa and Southeast Asia. Since Enterprise Singapore launched the Forum in 2010, more than 5,000 business and government leaders from 40 countries have met to explore partnerships and growth opportunities in Africa, Singapore, and Southeast Asia. This year, I am pleased to welcome the delegates of 14 countries from Africa.

**Open Regionalism**

3. We must continue to strengthen our partnerships to address the grave challenges we face today. Geopolitical conflicts, pandemics, growing protectionism, and the climate crisis remind us of the fragility of our political and economic systems. Our interdependence ensures that even distant events can adversely affect us.

4. Our best response to such challenges is to deepen our cooperation with one another – not just within our regions but *across* regions.

5. The African Continental Free Trade Area, or AfCFTA is an ambitious effort to create an integrated regional market that is expected to be the fifth largest in the world by 2050<sup>1</sup>. Despite the promise of that huge market, African businesses should continue to seek opportunities outside Africa. Even as the AfCFTA members build strong links to one another, it is vital that they continue to remain open and connected to the rest of the world.

6. Southeast Asia, like Africa, is a large and fast-growing region which offers many trade and investment opportunities to businesses. Together, the 10 ASEAN member states form the fifth largest economy in the world today with a total GDP of US\$ 3.7 trillion<sup>2</sup>. We, too, are making a decades-long regional integration effort to achieve an ASEAN Economic Community.

7. At the same time, we continue to strengthen our trade ties with the rest of the world through free trade agreements. For example, the Regional Comprehensive Economic Partnership (RCEP) is an FTA between ASEAN member states and 5 other countries, namely Australia, China, Japan, New Zealand, and South Korea. The RCEP is the world's largest free trade agreement by aggregate GDP. Individual ASEAN member states also have bilateral FTAs with their key trading partners.

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<sup>1</sup> Source: World Economic Forum (WEF), 2023.

<sup>2</sup> Source: World Bank, 2023.

8. ASEAN's "open regionalism" enables ASEAN member states, individually and collectively, to benefit from deepening our trade and investment ties to countries outside our region and achieve greater economic prosperity and security for our people.

### **Singapore as a Node in Africa-Asia Trade**

9. Today, Africa's trade with Southeast Asia constitutes a mere 2.2% of the latter's total trade with the world. It amounted to US\$ 57.6 billion in 2021: not small, but there is room to be much bigger. The same could be said about African investments into Southeast Asia, which pale in comparison to the opportunities available. In 2021, Africa's collective investments into ASEAN countries amounted to US\$ 188 million, just 0.1 per cent of the US\$ 174 billion worth of total inward investments that ASEAN received that year<sup>3</sup>.

10. The good news is that there is potential for growth. We should, therefore, strive for closer ties between Southeast Asia and Africa, a process that Singapore could help catalyse as a node in Africa-Asia trade. Singapore trades with almost every country in Africa. In the past 12 months, Prime Minister Lee Hsien Loong has made official visits to Rwanda, South Africa, and Kenya to strengthen bilateral ties, including business linkages.

11. Singapore is a global and regional business and financial hub, and is plugged into global supply chains through excellent physical and digital connectivity. Many global companies including those from Africa have established themselves in Singapore. One example from Africa is **Cartrack**, a vehicle data and fleet intelligence company. Cartrack uses Singapore as a hub for its expansion into Southeast Asia. I welcome more African companies to come to Singapore, whether to do business here or in our region.

#### *Supporting Singapore Enterprises*

12. Today, there are about 100 Singapore companies present in 40 countries in Africa. They are in diverse sectors, such as manufacturing, logistics, agri-commodities, and urban solutions, as well as exploring opportunities in digitalisation and sustainability. Enterprise Singapore is working with a growing list of Singapore companies that have an interest in expanding their business to Africa. I encourage more Singapore companies to seek out business and investment opportunities in Africa.

13. Singapore's direct investment into Africa exceeds US\$23 billion, with a growing share going into value-added manufacturing. Last year, **Royal Nuts** invested US\$27 million to set up a factory in Cote d'Ivoire to process cashew nuts. I expect more investments by Singaporean companies as the AfCFTA makes it easier to do business across Africa.

14. In digitalisation, Singapore company **Thunes** offers accessible and reliable cross-border payment solutions to African consumers and businesses, allowing them to pay and get paid in more local and relevant ways. Africa's digital economy is projected to grow six-fold by 2050<sup>4</sup>, generating business opportunities in fintech, healthtech, and e-commerce.

15. In the area of sustainability, Africa is attracting growing interest in its vast forests, fertile lands, and abundant wildlife, not to exploit them, but to preserve them through sustainable practices. Last year, Singapore and Ghana substantially concluded negotiations on an Implementation Agreement on carbon credits cooperation. Singapore company **GenZero** signed an MOU with carbon project developer AJA Climate Solutions to invest in a US\$30 million landscape restoration project in Ghana. The project will restore degraded and

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<sup>3</sup> Source: ASEAN Statistics Portal, ASEAN Secretariat.

<sup>4</sup> Source: [Endeavor Nigeria](#), 2022.

deforested landscapes in the Kwahu area and generate high quality carbon credits in the process.

### *Promoting Connectivity*

16. Singapore is also striving to improve connectivity between our regions, including through government-to-government cooperation and people-to-people exchanges, so that we can develop better mutual understanding, and encourage more trade and investment.

17. Let me share with you the good news that the Kenya – Singapore Investment Promotion and Protection Agreement entered into force on 20 August 2023. Such agreements provide certainty to companies from both Africa and Singapore that operate in each other's markets, thus boosting trade and investment flows between us.

18. I am also happy to announce that Singapore's Ministry of Foreign Affairs and Ministry of Trade and Industry will soon offer a capacity-building course in trade negotiations as part of the Singapore Cooperation Programme's Singapore – Africa Partnership Package. The course will start in January next year and is designed to meet the needs of African trade negotiators, even as it helps to foster stronger relations between our governments and officials.

19. There is a saying: to go fast, go alone; to go far, go together. This, along with help from Enterprise Singapore, may have motivated three Singapore companies – **Robust International**, **Adatos**, and **Trames** – to come together to collaborate on projects in Africa. Robust is a home-grown global commodities trader, dealing in nuts, pulses, and sesame. It will work with Adatos to deploy the latter's AI solutions to provide agricultural insights such as weather prediction, yield forecast, and nutrients usage for its sesame crops in Nigeria. Trames will provide bespoke logistics management solutions for Robust's supply chain in Africa and globally. These solutions will help local farmers farm more sustainably, whilst helping Robust improve its supply planning and yields. Helping to form such partnerships between global traders and SMEs is part of Enterprise Singapore's Trade 2030 strategy to expand Singapore's trade and networks to Africa, as well as other parts of the world.

20. To ensure better access to trade financing, Enterprise Singapore is expanding the pool of participating financial institutions in the Enterprise Financing Scheme to include selected foreign-based financial institutions and multilateral development banks with strong expertise and willingness to finance Singapore enterprises venturing into Africa and other emerging markets.

21. With these developments, I am optimistic about the future of Africa-Singapore and Africa-Asia collaborations. Singapore welcomes any new opportunities to deepen the relationship that we share with Africa.

### **Conclusion**

22. In conclusion, I would like to leave you with two messages. First, governments should practice open regionalism. Regional integration and remaining open and connected to other regions are not mutually exclusive. The outcomes for our businesses and peoples will be better if we do both. Second, Singapore and African companies should be bold and expand into each other's regions to seek opportunities. Governments can, and will provide strong support, but ultimately, where business is done depends on the decisions of business leaders like you.

23. Thank you.