

**For immediate reporting**

**KEYNOTE SPEECH BY MR GAN KIM YONG,  
MINISTER FOR TRADE AND INDUSTRY, AT THE  
US CHAMBER OF COMMERCE EVENT IN WASHINGTON DC,  
THE UNITED STATES OF AMERICA, ON 7 OCTOBER 2021, 10.35AM**

Mr Myron Brilliant, Executive Vice President and Head of International Affairs  
of the US Chamber of Commerce,

Ladies and gentlemen,

**Opening**

1. Good morning to all of you. First, let me say that it is a pleasure to be here with you this morning. There is fantastic weather and a fantastic view. It is very difficult to focus on the speech when there is such a nice view behind me.
2. Singapore and the US have shared a robust and enduring friendship for many years. Our relations are underpinned by shared values, especially the importance of global stability and a rules-based international order which enable countries to prosper together.
3. Within this strategic context, Singapore and the US enjoy excellent economic relations, of which the US-Singapore FTA – the US' first FTA in Asia – has been a cornerstone.
  - a. Today, the US is Singapore's largest foreign investor and third-largest goods trading partner, while Singapore is the US' second-largest investor in Asia.
  - b. Singapore's imports and investments account for over a quarter of a million jobs in the US.
4. I am visiting the US today to reaffirm our close ties, advance collaborations in forward-looking areas, and strengthen the economic linkages between Singapore and the US.
5. Over the next few days, I will meet Secretary of Commerce Gina Raimondo, Trade Representative Katherine Tai, and officials from the US Administration to further the bilateral initiatives that Vice-President Kamala Harris announced during her visit to Singapore in August this year. I am also delighted to meet business leaders like yourselves, to share perspectives on how we can continue to do business together, and to do more business together.
6. Let me share some thoughts on how Singapore and the US have been responding to the global pandemic, and how we can look beyond the pandemic to deepen our cooperation in new areas.

**Singapore is staying the course towards achieving COVID resilience and safely re-opening our borders for business and personal travel**

7. Firstly, let me speak about COVID-19. Many of us are very concerned about its impact on businesses.

8. Almost two years on, the world is still grappling with the pandemic. Fortunately, both the US and Singapore have made important progress over the last two years.

- a. We know much more about the virus now than before, especially how to live with COVID-19 while protecting our most vulnerable.
- b. We have better tools to manage the pandemic. Vaccines and rapid test kits are now available. Therapeutics will also be available shortly.
- c. Our populations are more familiar with the many preventative measures, like wearing masks, many of which have become part of our habits.

9. Singapore and the US have also continued to work together on ways to overcome the challenges brought forth by COVID-19.

- a. Singapore has been one of the few countries in the world that kept our economy going and ports open, so companies including those from the US could continue to produce essential supplies in Singapore, and ship them across the world, including to the US.
- b. We kept our sea and air links open and facilitated regional distribution of essential goods and vaccines, working with various government agencies and private sector players.
- c. Our agencies and research institutes have also collaborated in areas such as vaccine R&D and test kit development. For example, Singapore's Duke-NUS Medical School co-developed an mRNA vaccine with US pharmaceutical firm Arcturus Therapeutics. Clinical trials are now ongoing in Singapore.

10. Like the US, Singapore recognises the need to strike a balance between saving lives and preserving livelihoods.

11. To save lives, we have focused on achieving a high vaccination rate. With close to 85% of our population fully vaccinated, majority of our new cases have mild or no symptoms, and our death rate remains low.

12. This has given us the confidence to shift towards living with COVID-19.
  - a. To maintain high vaccine effectiveness, we are now offering seniors booster shots to protect them against severe illness from the infection.
  - b. We have also encouraged widespread testing and made available self-administered test kits. This will allow us to detect the virus early and slow down its spread.
13. With these measures in place, we plan to safely open our borders in a calibrated and concerted manner. As a hub for business and travel, it is important for us to remain connected to the rest of the world.
  - a. We have had successful pilots of Vaccinated Travel Lanes (VTL) with Germany and Brunei to facilitate the entry of fully vaccinated individuals into Singapore for business and leisure. We are now working on a VTL with the US as soon as possible, and certainly before the end of the year.
  - b. Meanwhile, we are also continuing to facilitate the arrival and return of work pass holders from the US to Singapore, so that your companies in Singapore can operate at full strength.
14. We are determined to emerge stronger from the pandemic and are committed to working with you to grow your businesses in Singapore for the post-COVID world.

**Singapore and the US can cooperate on three key economic shifts: supply chain resilience, the digital economy, and sustainability.**

15. Notwithstanding the immediate economic shock brought about by COVID-19, looking ahead there are key collaboration opportunities for our two countries.
16. Let me outline three economic shifts that present opportunities for Singapore-US cooperation.
17. The first is on strengthening supply chain resilience.
  - a. COVID-19 exposed the vulnerabilities of global supply chains. Lockdowns and movement restrictions disrupted production and cut off supply sources, leading to global shipping delays and increases in freight rates.
  - b. We must not only keep supply chains open, but also ensure that they can withstand future shocks and disruptions, from pandemics or crises. To achieve this, global cooperation is essential.

- c. When I met Vice-President Harris in Singapore, I outlined three ways in which Singapore could work with the US to achieve supply chain resilience.
    - i. First, Singapore is a trusted partner. Even at the height of the pandemic, Singapore was one of the few countries which maintained free flow of goods and services and did not impose any export controls, including on masks, PPE and vaccines, to the US. At the same time, we worked with other trusted partners to keep supply chains open.
    - ii. Second, supply chains need to be diversified and adapt quickly to the situation as it evolves. Singapore can play a strategic role as part of the diversified supply chain for US and Singapore businesses.
    - iii. Third, our strong connectivity to the rest of the world makes us a resilient hub for countries and companies to anchor their operations in Singapore.
  - d. Singapore and US will hold a high-level bilateral dialogue on supply chain resilience, to continue this important conversation.
18. The second opportunity is advancing the digital economy.
- a. COVID-19 has undoubtedly accelerated this shift towards the digital economy.
    - i. Many American digital companies are at the fore of this revolution, from Google to Microsoft to Zoom.
    - ii. Singapore is honoured to host these companies, which use Singapore to harness the full potential of Southeast Asia's digital economy which is projected to triple in size to US\$300 billion by 2025.
    - iii. We estimate that in 2019, almost 70% of services trade between Singapore and the US were digitally delivered.
    - iv. Over 90% of US small businesses that export also rely on digital tools, based on our recent survey results.
  - b. Singapore is investing in digital infrastructure to enhance our capabilities in the digital economy, and encouraging our businesses and people to adopt new digital solutions and skills.
  - c. We are also collaborating with like-minded international partners through Digital Economy Agreements, to create a conducive, secure,

and enabling environment for our businesses and workers to access opportunities.

- d. I will be signing the Partnership for Growth and Innovation with Secretary Raimondo later today. The digital economy is one of the four key pillars of this initiative that we will work on together.
  - e. Growing the digital economy would help guard against the digital divide, enabling growth for services trade, and benefiting companies of all sizes, especially small and medium-sized companies.
19. The third opportunity is addressing the climate crisis.
- a. Many US companies such as Google, Amazon, and Facebook have charted the way in leading sustainable initiatives. Google, for example, has created demand for green data centres and clean energy with their commitment to operate on carbon-free energy 24/7, by 2030. It has led to Google's first renewable energy partnership with Singapore energy companies.
  - b. I am glad that Singapore and the US are like-minded partners in this particular area. We are a strong supporter of multilateral action to address the threat of climate change, but we also see opportunities here for businesses to reinvent themselves and stay relevant. Those who can quickly embrace sustainability will reap first-mover advantages.
  - c. Singapore launched the Singapore Green Plan 2030 this year to incorporate sustainability in how we live, work, learn and play. We are keen to develop new green growth sectors, such as carbon services and green finance. We are also making significant investments and working with global and regional partners to conduct R&D in green technologies.
  - d. We also want to work with partners to shape a sustainable future together through the Green Economy Agreement. This will be a first-of-its kind agreement to strengthen global capacity to tackle climate change by fostering international cooperation, encouraging the widespread adoption of green goods and services, catalysing the development of green technologies, and establishing relevant trade rules and standards.
  - e. We are keen to partner the US in this effort. In August this year, we announced a US-Singapore Climate Partnership to collaborate on climate action, environmental governance, sustainable development and low-carbon solutions. The partnership will allow us to strengthen our collaboration and co-create solutions like carbon credits, green goods, services & technologies, and achieve our climate ambitions.

## **US businesses should support free trade and economic integration in the region**

20. Opportunities abound, but we must work fast and work together to seize them, especially when the benefits of free trade and economic integration are now being questioned.

21. The business community plays a critical role in championing such bilateral cooperation.

- a. US businesses have been strong advocates for trade liberalisation, and the multilateral trading system.
- b. Your support for economic integration has enabled America to lead a global rules-based order that has undergirded decades of growth and prosperity for all countries, big and small.
- c. We hope that you will continue to stand for openness and connectedness, so we can all continue to thrive in this post-COVID-19 world.

## **Closing**

22. Singapore, on our part, will continue to build on our strong fundamentals as a safe and secure location to do business. We will also strengthen our physical and digital connectivity and be at the fore of efforts to leverage new global developments.

23. I welcome our American friends to partner us in accessing new opportunities in the region, especially in the areas of supply chain resilience, the digital economy and the green economy.

24. The success of our bilateral economic relations is supported by the good work of trade associations such as the US Chamber of Commerce and we are grateful for your continued support.

25. I am confident that relations between our business communities will continue to deepen and benefit both Singaporeans and Americans.

26. Thank you.

## **Annex: Transcript of Fireside Chat Between Minister Gan Kim Yong and Mr Myron Brilliant, Executive Vice President, US Chamber of Commerce**

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**Mr Brilliant:** Let me start with COVID because in your previous role as Minister for Health, you spent a lot of years thinking about pandemics and issues like that. As we start to see vaccination rates move up, we are also seeing surges because of the variants. What are you seeing in the region as you look in the six months ahead, in terms of the capacity to deal with the variants and the vaccination rates? Do you see some hesitancy, among people in the region, to take the vaccine? I asked that because there's some pressure, from our own government, to see Singapore ease traffic from America.

So, can you give us the context to (a) what you're seeing regionally and (b) what steps you'd like to take to help in increasing the capacity in the region to deal with the variants and what help you want from the United States?

**Mr Gan:** Let me first talk about our experience with COVID-19. It has been almost two years since we first saw its data in the early part of January in 2020. Over these last two years, we have come along way and we've learnt a lot from others. The most important knowledge we have about the virus is that it changes all the time. New variants will emerge from time to time and some variants, like Delta variants, behave quite different from the original wildcard variants.

Therefore, even as the virus mutates, we have to adjust our strategy in living with the pandemic. We have to be prepared to adapt to the changes as we go along. We have also come a long way in developing our tools and solutions in tackling this pandemic.

There are two very important tools that we have developed thus far– vaccines and testing. Without vaccines and testing capabilities, the only thing that we could do was isolation.

For example, vaccines played a very important part in Singapore's fight against COVID-19. What we discovered from the vaccine is that while it does not entirely prevent transmission, it does prevent severity of the disease quite effectively. It helps us save lives. Because of that, it gives us space to introduce measures to preserve livelihoods which in turn allows us to open up the economy and our community. And with that, we make use of the second tool: testing. Singapore is ramping up our testing capacity significantly. When we first started, the only form of test available was the PCR test. A PCR test usually takes between 24 to 48 hours before the results are out. By the time the results are out, intervention would be too late.

But now, we are moving towards regular testing with self-test kits readily available. Once you're tested negative, you can go about doing business and other activities quite freely. This allows us to protect our lives and at the same

time, restore our activities. I think that this is going to be the key – both vaccines and testing.

This will also be the key to travel arrangements. We are shifting towards a Vaccinated Travel Lane (VTL) coupled with regular testing on arrival and before departure. This will allow us to continue to keep Singapore and the rest of the world safe while allowing us to restore normalcy as much as we can.

**Mr Brilliant:** I know we've been pushing our government to ease travel restrictions from America to Singapore. Is that something you see happening for the term? Do you think that America's response to the region, of working with Singapore, has lifted the capacity of some of your neighbours?

**Mr Gan:** In a way, America has contributed towards vaccine supply in the region. That helps us to move towards opening the region. In terms travelling between the US and the region - I think every country will have its own considerations. It also depends on the country's ability to vaccinate its population and its ability to respond to outbreaks should there be significant imports of cases. We have to work with countries carefully and see how we can have some arrangement to facilitate travel. As I mentioned, we are working very hard with the US to establish the VTL which will facilitate visits from both sides. We hope to be able to do that as soon as possible and certainly before the end of the year.

**Mr Brilliant:** Moving on to trade, you've covered the digital economy. Everyone, in this room, hopefully, is on board with the United States being part of some kind of digital framework. Are you going to push that issue hard here in Washington DC to encourage the United States and Singapore, and likeminded countries to work on a digital framework agreement?

**Mr Gan:** Let me first explain that digitalisation plays a very important role as we emerge from COVID-19. In fact, the digitalisation process started way before COVID-19 happened. COVID-19 simply accelerated the pace of this transformation. This is very critical for small and medium-sized companies, because it allows them to expand their business beyond the restrictions of their size, allowing them to access international markets that have been impossible for them before digitalisation.

For Singapore, we have rolled out a series of initiatives to help our companies or businesses transform and digitalise, even for the small and medium-sized enterprises, including the fishmongers and market stalls, We also have a programme called "SME Go Digital" and "Heartland Go Digital". We have many programmes like these to provide them with digital solutions and training for their workers to be able to handle digital solutions and to allow them to transform in the digital platform. That is very important.

Singapore doing it alone is not going to reap the full benefits of digitalisation. That is why we are very keen to develop Digital Economy Agreements with like-



minded countries, including the US. Different countries have different challenges, and we do understand and appreciate that each will have to progress at its own pace, and we will be patient. But we would also like to move as fast as we can, because digitalisation has a momentum of its own and we need to ensure that we continue and sustain that momentum, to benefit both countries, particularly the small and medium-sized companies and also, the workers in these small and medium-sized companies.

**Mr Brilliant:** This week, Ambassador Katherine Tai gave her sort of State of the Union address on trade policy with China. It wasn't the Administration's full articulation of its China strategy, but it did articulate some of the systemic challenges that the United States feels it has with China. Sitting in Singapore, where you need to do business with both the United States and China, how did you view the speech, and what about it do you do you see alignment in your work with the United States?

**Mr Gan:** I think Ambassador Tai made a good speech. It has laid out the overarching approach the US is going to take with regard to China. From Singapore's perspective, it is important that the US continues to engage in the Asia-Pacific region, including China, because the way forward is through discussion, dialogue, through strengthening, deepening mutual understanding, and building trust between countries, and between the US and the region. I think that effort is not going to happen overnight. It will take time and the US also has many interests, many focuses, many priorities. I would urge the United States to continue to step up engagement in the region, and to continue dialogue with China. I think we have seen encouraging progress in the discussion between the two countries. Ambassador Tai said she is going to commence a discussion with the Chinese authorities. Therefore, I am optimistic that we will be able to see progress, but it may take time. The important thing is that the US must continue to stay engaged in this region and in particular, with China.

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