THE SINGAPORE-CHONGQING GOVERNMENT-TO-GOVERNMENT PROJECT

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Executive Summary

- 1. On 6 November 2015, Chinese President Xi Jinping paid his first visit to Singapore as president and left the next day after making some significant announcements.
- 2. In the article that Xi personally wrote to Singapore's local media, he listed the broad areas in which the two countries can cooperate.
- 3. The hardware aspects consist of scientific cooperation, technological development and tangible achievements in science while the software components are culture, education, social governance, finance, environmental protection and legal enforcement.
- 4. The foundation stone of the new China-Singapore relationship lies with the recent announcement of a third government-to-government (G-to-G) project in Chongqing city.
- 5. The city currently has the southwestern region's largest population (30-33 million people, compared with Chengdu's 14 million), providing a natural labour force and consumer market for the industries in the vicinity.
- 6. Chongqing also has a recent history of attracting investments and a pre-existing industrial base as the world's largest notebook computer producer.
- 7. This new Chongqing project has been elevated to G-to-G status as the Western regions of China are the main target of China's next phase of development in the One Belt, One Road project.
- 8. For the Chongqing project, the main challenge for Singaporean companies is to find their niche in this new project and the region. Market forces will determine the success of the project.

- 9. The challenges for Singapore lie in the disproportionate relationship. China is now a major economic power in the world with a gross domestic product which is 30 times larger than Singapore's.
- 10. Singapore will likely need to address this structural challenge through its skilful and nuanced foreign policy and worldview of pragmatism.