

## **SINGAPORE AND MEXICO SIGN INVESTMENT GUARANTEE AGREEMENT**

SINGAPORE, 12 Nov 09 --- Singapore and the United Mexican States signed an Investment Guarantee Agreement (IGA) today at the sidelines of the Asia Pacific Economic Conference (APEC) Ministerial Meeting. The agreement was signed by Mr Lim Hng Kiang, Minister for Trade and Industry, Singapore, and Mr Gerardo Ruiz Mateos, Secretary of Economy of Mexico.

2 The IGA demonstrates the deepening bilateral economic relations between the two countries. It also augers well for the business communities, as it lays a solid framework where investors from both nations can benefit from greater certainty in clearly setting out investment norms and protection when investing in the other country.

3 Singapore and Mexico share good bilateral economic relations. Total bilateral trade between Singapore and Mexico amounted to S\$3 billion in 2008, a 25% increase from 2007, making Mexico our 4th largest trading partner in Latin America and 33rd largest worldwide. As at end 2007, Singapore's stock of direct investment in Mexico stood at S\$925 million while Mexico's FDI to Singapore was estimated to be S\$183 million. Singapore investments in Mexico are mainly in contract manufacturing for electronics OEMs, supporting industries (tool and mould manufacturing), logistics and infrastructure.

4 Under the IGA, investors will be accorded non-discriminatory treatment, compensation in the event of expropriation or nationalisation of their investments, free transfer of capital and returns from investment and access to international arbitration for settlement of investment-related disputes between the investor and the host state. The IGA is expected to boost investor confidence and spur an increase in the volume of bilateral investments.

**Ministry of Trade and Industry  
12 November 2009**