

# Asia the bright spot in the global economy as it works for open trade: Heng Swee Keat

🕒 PUBLISHED JUN 29, 2018, 12:23 AM SGT



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NEW DELHI - Singapore's finance minister Heng Swee Keat said negotiations for the Regional Comprehensive Economic Partnership (RCEP) would hopefully be concluded by the end of the year, noting it would be a "concrete show" of commitment to open trade at a time of growing protectionism.

RCEP is a free trade agreement that is being negotiated between the 10 members of the Association of Southeast Asian Nations (Asean) and India, China, Australia, New Zealand, South Korea and Japan.

While India has been hesitant about giving wider market access, Prime Minister Narendra Modi recently highlighted his country's commitment to concluding the negotiations.

"The completion of the RCEP will be a concrete show of our commitment to open trade and investment and to the continued growth and development of our economies and provide more opportunities for our people," said Mr Heng at The Singapore Symposium, a signature event of the Institute of South Asian Studies.

In his talk, Mr Heng called Asia the "bright spot in the global economy".

"This is part of a broader shift of the economic centre of gravity back to this region. Against a backdrop of slower growth in the developed economies, India is expected to grow by 7.8 per cent in 2019 while Asean by 5.3 per cent," he said.

He said that Singapore would continue to work with India and the rest of the region to realise the full potential of Asia.

India and Singapore share close ties, with Singapore, one of its top foreign investors, helping India broaden its engagement with South-east Asia and establish links with Asean.

The two countries also collaborate in a variety of areas including in skills training and the creation of smart cities.

India has tapped Singapore for solutions on urban renewal, for instance involving Singapore companies in building Andhra Pradesh's new capital city of Amaravati from scratch.

Mr Heng said India and Singapore could work on the "four connectivities" of trade, infrastructure, air and digital technology.

Singapore in particular has been pushing for closer aviation links between India and South-east Asia.

Mr Heng also noted there was potential to do much more between India and Asean and that Singapore would continue to champion India in Asean, including serving as a "good gateway" for Indian companies to access Asean markets.

He also noted that Singapore supported Prime Minister Modi's commitment towards a rules-based order for the region which upholds the sovereignty and equality of all nations.

"We must strengthen our collaboration and an open, balanced and inclusive regional architecture so that we can complement one another and progress together," he said.

Mr Heng is on a visit to India and was in Mumbai for the Asian Infrastructure Investment Bank (AIIB) annual meeting on June 25 and 26.