



# What You Need to Know About Singapore's Free Trade Agreements



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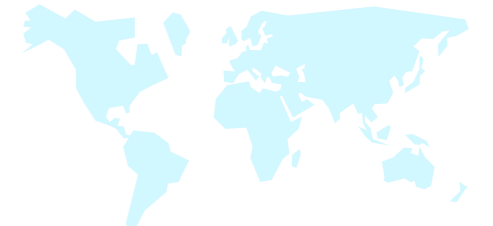
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Singapore’s FTA network includes the following:

- ASEAN-Australia-New Zealand Free Trade Area  
ASEAN-Hong Kong, China Free Trade Agreement  
ASEAN-India Free Trade Area  
ASEAN-Korea Free Trade Area  
EFTA-Singapore Free Trade Agreement  
Panama-Singapore Free Trade Agreement
- Peru-Singapore Free Trade Agreement  
Singapore-Australia Free Trade Agreement  
Singapore-Costa Rica Free Trade Agreement  
Singapore-Jordan Free Trade Agreement  
Sri Lanka-Singapore Free Trade Agreement  
Trans-Pacific Strategic Economic Partnership

# Key Benefits of Free Trade Agreements

Free Trade Agreements (FTAs) help you access overseas markets more easily so that you can grow your business and compete internationally.



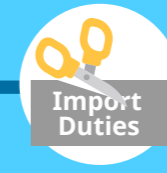
## Bilateral and Regional Free Trade Agreements

### Businesses

FTAs make your originating exports more competitive by reducing the duties that your customers pay.



Suppose you are exporting S\$100,000 worth of goods to a country that charges 10% import duties, your customers have to pay an additional S\$10,000.



With eliminated tariffs, your customers save \$10,000 when they buy goods that are made in Singapore from you.



This gives you a price advantage over your competitors who do not use FTAs!

**Note:** The figures are illustrative. For more details on the preferential rates that our FTAs provide for your products and markets, visit Enterprise Singapore's Tariff Finder at [www.fta.gov.sg](http://www.fta.gov.sg).

FTAs provide you with preferential access to the services sectors in foreign markets, so that you can more easily provide the service from Singapore to consumers based overseas.

FTAs help your goods to be cleared more quickly and efficiently.

#### Simplified Trade Procedures

You can trade more easily by submitting fewer paper-based documents and enjoying greater transparency in customs law.



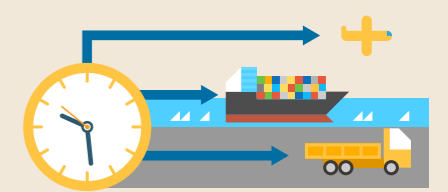
#### Advance Rulings

You can obtain advance information on the classification of your goods before they are shipped, reducing the time needed for Customs clearance.



#### Expedition Release of Goods

Your goods will be released as quickly as possible as Customs authorities are required to adopt efficient customs procedures.



FTAs safeguard your business in overseas markets.

#### Legal Rights for Companies

Your company has access to a fair operating environment through elimination of regulations that restrict market access or provide favourable treatment to domestic firms.

#### Enhanced Intellectual Property Rights

Your IP rights will be better enforced to protect your innovations.

#### Avenue for Recourse

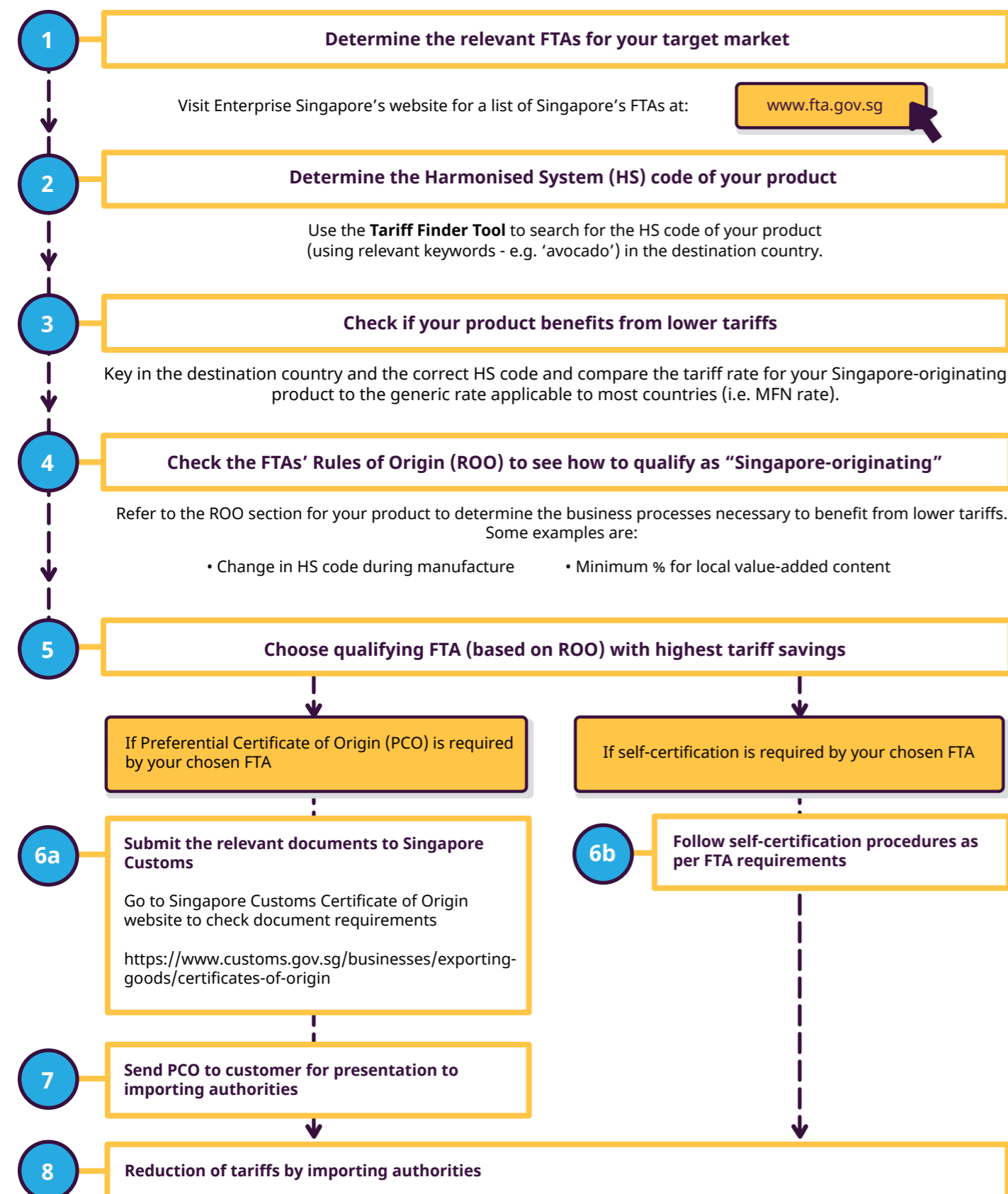
In the case of a dispute with the host state, your company will be able to seek recourse through a neutral avenue.

# How to Apply for Tariff Concessions for Your Goods Exports

It is easy! Once you identify your target market, visit **Enterprise Singapore's website** to find out more about the FTA you can tap on. If there is more than one FTA for your target market, find out which one provides you with the most tariff savings using **Enterprise Singapore's Tariff Finder tool**.



Apply for your FTA tariff concessions in a few simple steps:

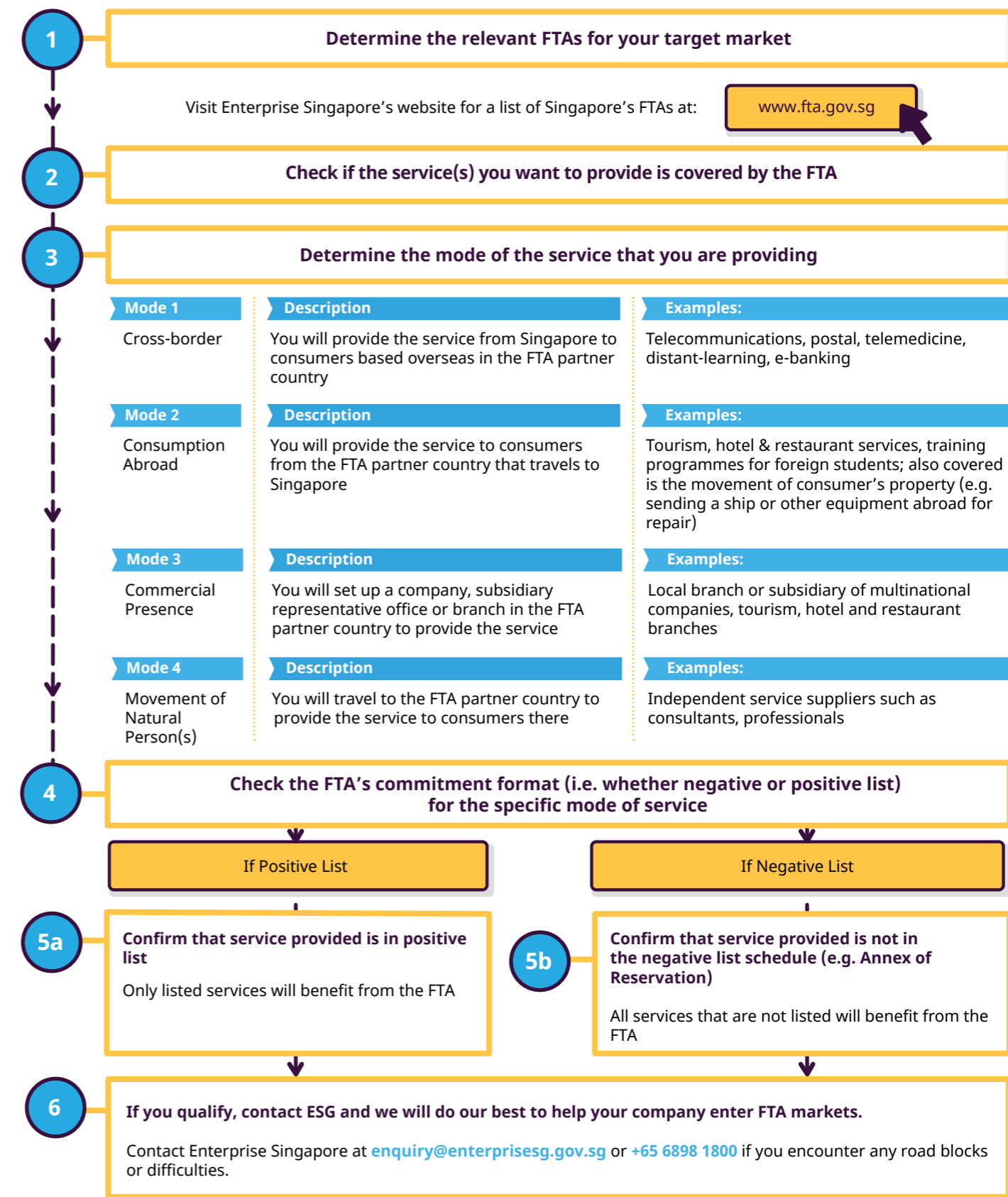


# How to Check if Your Trade in Services Benefits from FTAs

The services chapter in Singapore's FTAs ensure that Singapore-based service suppliers will enjoy easier entry into our FTA markets, a level playing field, and a more predictable investment regime.



If you face services-related difficulties in a particular market, check how you can benefit from the services chapter in a few simple steps:



# China-Singapore Free Trade Agreement (CSFTA) Upgrade



The CSFTA entered into force.



Improved market access.



The upgraded CSFTA was signed.



Enhanced investment protection.



The upgraded CSFTA enters into force.



Simplified Customs Procedures.



## Did you know?



In 2013, China was Singapore's **largest trading partner** for the first time.



## Key Benefits Include:

### Trade in Goods

Improvements in the Rules of Origin (ROO) allow more petrochemical exports from Singapore to qualify for preferential treatment. Petrochemical products account for approximately a quarter of Singapore's total exports to China. These will take effect on 1 Jan 2020.

#### Products include:



Mineral Fuels



Organic Chemicals



Plastics

### Electronic Origin Data Exchange System (EODES)

This system is scheduled to be implemented by the end of 2019.

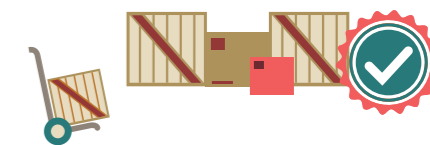


### Customs Procedures and Trade Facilitation

Increased efficiency and predictability for traders in the areas of Release of Goods, Advance Rulings and Express Shipments.



Exceed commitments in the World Trade Organization Trade Facilitation Agreement.



### Investment

Enhanced investment protection standards with a more robust Investor-State Dispute Settlement (ISDS) mechanism and compensation clause for Singapore investors.

Singapore companies also benefit from any preferential treatment China accords to other foreign investors in its future agreements.



### Trade in Services

**Maritime** – Singapore shipping and ship management companies will be able to take on majority ownership or form wholly-owned foreign enterprises in Shanghai, Guangdong, Tianjin, and Fujian Free Trade Zones (FTZ).



**Construction** – Singapore companies with presence in Shanghai FTZ and the three G-to-G projects will be exempted from China's foreign investment ratio requirement when undertaking joint construction projects in Shanghai, Suzhou, Tianjin and Chongqing.



**Legal** – Singapore law firms that have established their representative offices in Shanghai FTZ are permitted to form a commercial association with Chinese law firms in the Shanghai FTZ and offer legal services to clients in China regardless of location.



### New Chapters



#### Competition

Adherence to the principles of transparency, non-discrimination and procedural fairness in competition law enforcement.



#### Environment

Commitment to promote environment protection and sustainable development.



#### E-Commerce

Commitment to promote online consumer protection and personal information protection.

# European Union-Singapore Free Trade Agreement (EUSFTA)

Expected to enter into force by end-2019



The EUSFTA is the EU's **first** FTA concluded with an ASEAN country.



## Did you know?



The EU is the **world's largest single market** with over 500 million consumers.

## Key Benefits Include:

### Elimination of Customs Duties

#### Entry into force

Tariff elimination for **84% of all tariff lines** for Singapore's originating exports to the EU



Asian Food Products, Electronics, Pharmaceuticals, Petrochemicals and Processed Agricultural Products

#### Third to fifth year

Tariffs for the remaining products **will be removed**



Selected meat and seafood produce, fruits, textiles and consumer goods

### Liberal and Flexible Rules of Origin for Singapore's Exports

Key products originating in Singapore (either produced or processed) will be able to enter the EU tariff-free.

Singapore companies will be able to more extensively cumulate materials from ASEAN Member States that have concluded trade agreements with the EU.



### Improved Market Access to Services Sectors

Singapore businesses will have improved market access to a wider range of services sectors in the EU.



Professional Services



Computer and Related Services



Business Services



Telecommunication Services



Postal Services



Environmental Services



Tourism and Travel Related Services



Transportation



Manufacturing

### More Opportunities in Government Procurement

Singapore companies can bid for more government procurement projects in the EU. These include:



Railway Services



Computer Services



Telecommunication Services



Landscape Architecture Services



### Reduction of Technical and Non-Tariff Barriers in Key Sectors

Singapore exporters will have lower operational cost with the reduction of duplicative testing and certification procedures in the following sectors:



Electronics



Motor vehicles and vehicle parts



Pharmaceuticals and medical devices

### Enhanced Protection of Intellectual Property Rights (IPR)

The EUSFTA provides for **70 years of copyright protection**.

Singapore-based producers can collect broadcasting and public performance royalties for productions that are exported into the EU.



# India-Singapore Comprehensive Economic Cooperation Agreement (CECA)

AUG  
2005

The CECA entered into force.



## Did you know?



India is one of the **world's fastest growing economies** and has about a fifth of the world's population. In the 13 years after the CECA entered into force, its economy grew by an average of 7%.

## Key Benefits Include:

### Trade in Goods

Singapore businesses exporting originating products enjoy **tariff reduction or elimination**, making their goods more competitive than other foreign imports into India. Sectors that benefit include:



Food Products



Plastics



Electronics



Pharmaceuticals



Machinery and Mechanical Appliances

Products such as sweet biscuits, selected digital devices and selected animal products **enjoy 100% tariff-free entry** into India.



In general, Singapore exports with at least **35% originating materials** and undergoing a change in **tariff classification at the sub-heading level** qualify for preferential tariffs.

A **de-minimis provision** allows greater flexibility for manufacturers' and exporters' goods to qualify as Singapore-originating, if their goods could not meet the origin criterion.

A list of **product-specific rules** also makes it easier for certain products, such as machinery parts and edible oils, to qualify for preferential tariffs.



### Trade in Services

Singapore service suppliers have **preferential access** to the services sectors in India. Sectors include:



**Financial** – DBS Bank and UOB Bank have established their presence in India, making it easier for Singapore companies to access financial services when doing business there.



**Engineering** – Singaporeans can set up companies to provide integrated engineering services such as advisory, consultation and design.



**Tourism** – India has removed the requirement for Singaporeans to set up a company with a local partner(s) before they can provide hotel and lodging services in India.

### Investment Protection



Singapore investors can invest in India with greater confidence and security with tangible and non-tangible assets such as intellectual property rights, business concessions and permits protected as investments. Dispute resolution mechanisms provide recourse in the event of dispute.

# Japan-Singapore New-Age Economic Partnership (JSEPA)



The JSEPA entered into force.

The revised JSEPA entered into force.



## Did you know?



The JSEPA is Japan's **first bilateral free trade agreement** and one of Singapore's earliest FTAs with a major trading partner.

## Key Benefits Include:

### Trade in Goods

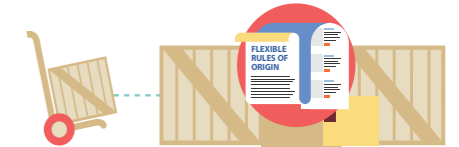
**Tariff elimination** for approximately **92%** of all tariff lines for Singapore's originating exports to Japan.



**Tariff reduction** for more than **26 petrochemical/plastics** and **1,340 agricultural products** from Singapore enjoy tariff reduction into Japan.



**More flexible Rules of Origin** for Singapore's exports into Japan. The criteria for Singapore's exports to qualify for preferential tariffs was reduced from **60% to 40%** of Singapore-originating materials.



Singapore and Japanese businesses enjoy lower cost and shorter time to market as **Mutual Recognition Agreements** in electrical and electronic equipment and telecommunications equipment eliminates the need for duplicative testing in each other's markets.

### Trade in Services



**Financial Services** - Japan and Singapore agreed to allow cross-border offer and sales of collective investment products to institutional investors, as well as through the local securities firms.



Singapore-based brokers have access to Japan-based clients in marine, aviation, and transit insurance and reinsurance.

### Others

The JSEPA also includes forward-looking clauses in areas such as



#### Intellectual Property

Develop a robust framework to promote the use of intellectual property.



#### Information and Communications Technology

Enhance security of communications infrastructure, improve legal and regulatory certainty for electronic transactions and promote the development of e-Governments.



#### Science and Technology

Undertake research in the life sciences that would enable Japan and Singapore to effectively leverage on new innovations.



# Korea-Singapore Free Trade Agreement (KSFTA)

MAR  
2006

The KSFTA entered into force.



The KSFTA is the **first free trade agreement** between the Republic of Korea (ROK) and an Asian country.



## Did you know?



In the decade following the entry into force of the KSFTA in 2006, **Singapore's total trade with ROK grew by 47%.**

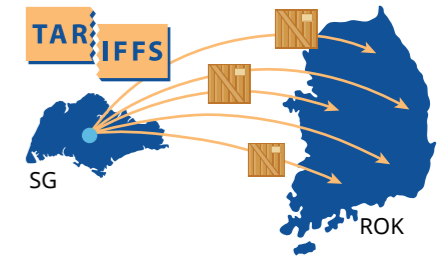


Over the same period, the ROK's **direct investment into Singapore also increased nearly eighteen-fold**, to account for S\$14 billion of investment stock.

## Key Benefits Include:

### Trade in Goods

Singapore's originating exports to the ROK enjoy tariff reduction / elimination across **91.6%** of all tariff lines.



### Reduction of Technical Barriers to Trade

Mutual Recognition Agreements in:



Electrical and Electronic Equipment



Telecommunications Equipment

This avoids testing duplication, reduces costs and cuts down the time to market for businesses.

### Trade in Services

Singapore's service industries benefit from enhanced access to the ROK services market in areas such as:



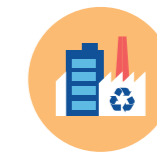
Education

For example, in language education, certified language programmes such as TOEFEL, and TOEIC, corporate training and service quality programmes.



Logistics

For example, access to Korea's courier services sector.



Environmental Services

For example, environmental testing and assessment services, industrial waste treatment and refuse disposal services, and recycling services.

### Investment Protection



Investors and investments from both countries are protected by comprehensive commitments in the KSFTA.

Singapore's suppliers will be accorded non-discriminatory treatment when bidding for ROK's government procurement tenders.

### Others

Beyond liberalising trade and investment, the KSFTA contains cooperation initiatives in a wide range of areas such as:



Environment



Human Resource Development



Intellectual Property Rights



# Agreement Between New Zealand and Singapore on a Closer Economic Partnership (ANZSCEP) Upgrade

YEAR  
2001

ANZSCEP entered into force.



ANZSCEP was Singapore's first bilateral FTA.

MAY  
2019

The upgraded ANZSCEP was signed.



Goods trade between Singapore and New Zealand have enjoyed **tariff-free access** since the ANZSCEP entered into force in 2001.



## Did you know?



Singapore's FTA strategy began in 1999 with the negotiation of a FTA with New Zealand.



## Key Benefits Include:

### Flexible Rules of Origin

Companies can qualify more easily for duty-free treatment in sectors such as:



Electronics



Chemicals



Pharmaceuticals



Processed food

These are some of the most flexible and trade facilitative Rules of Origin among Singapore's FTAs.

### Enhanced Customs Procedures and Trade Facilitation

Businesses benefit from streamlined administrative procedures which lower transaction time and costs.



24h

Goods that reach our respective borders are released **within 24 hours of arrival**.



4h

Express consignments are released **within 4 hours of submission** of customs documentation to respective customs authorities.

These are the shortest release times for goods and expedited shipments among Singapore.

### Sanitary and Phytosanitary Measures

Food imports are held to stringent and robust food safety requirements, while trade barriers that could impede our food exports are reduced.

Singapore and New Zealand have also concluded three Implementing Arrangements (IAs) under the SPS Chapter. With the IAs, our food exporters benefit from **improved market access** and **expedited clearance** of their exports. The IAs also **enhance transparency of regulations**, allowing Singapore exporters to better comply with New Zealand's requirements.



### Reduction of Technical Barriers to Trade

A new framework for **Mutual Recognition Agreements (MRAs)** provides the basis for negotiating MRAs on a variety of sectors.

Under the MRA on electrical and electronic equipment, electrical and electronic equipment registered in New Zealand or Singapore will no longer require a second round of testing when exported to the other party. This reduces time-to-market costs.

Singapore and New Zealand have agreed to a **MRA on Good Manufacturing Practice** of medicinal products. This allows manufacturers of medical products to be **exempted from duplicative testing** and certification procedures, thus saving time and resources.



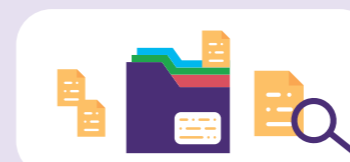
## New Chapters

### Regulatory Cooperation

The chapter establishes a mechanism which **enables companies to raise and resolve trade-related issues more quickly**. Regulators also agreed to closer cooperation and to promote good regulatory practices.



### E-commerce



Companies can **access data freely** and **will not be required to locate computing facilities in a market** as a pre-requisite to doing business there.



Consumer data will be protected through commitments to ensure **personal information protection**, **development of mechanisms to facilitate trusted data flows** and **online consumer protection**.



Forward-looking provisions on cooperation in **Logistics** and **E-Invoicing**. For example, both countries will work towards mutually recognising electronic invoicing systems.

# Turkey-Singapore Free Trade Agreement (TRSFTA)

OCT  
2017

The TRSFTA entered into force.



Turkey's first comprehensive and broad-based FTA.



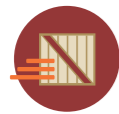
First of Singapore's FTAs with a simple Rule of Origin for Asian processed products that makes it easier for exporters to enjoy preferential tariffs.



First of Turkey's FTAs with an Electronic Commerce Chapter.



## Did you know?



80% of Singapore's originating exports have enjoyed tariff-free access into Turkey since the TRSFTA entered into force and coverage is set to rise to 95% from now to 2027.

## Key Benefits Include:

### Tariff Elimination and Improved Market Access

80% of Singapore's originating exports have enjoyed tariff-free access into Turkey since the TRSFTA entered into force and coverage is set to rise to 95% from now to 2027.



The Rules of Origin that factor in Singapore's unique regional supply chain and local production processes benefit Singapore's exports of products such as:



Electronics



Pharmaceuticals



Chemicals



Processed Food

Singapore exporters can claim for preferential tariff treatment on a self-certification basis. This saves time and cuts administrative costs.



Singapore Exporters



Self-Certification



Reduce Time



Reduce Costs

### Greater Customs Facilitation

Increased efficiency and predictability for exporters in the areas of transparency and advance rulings.



### Electronic Commerce

Under the TRSFTA, businesses and consumers benefit from:



Electronic transmissions that are free from customs duties



Non-discriminatory treatment of digital products



Protection of personal information

### Government Procurement Opportunities



Non-discriminatory treatment when bidding for government projects in all 30 of Turkey's metropolitan municipalities in key services sectors of interest to Singapore such as construction, telecommunication, sewage and refuse disposal, sanitation and similar services.



Summary notices of government procurement projects will be published in English.

### Investment Opportunities and Protection



Singapore investors can:

- 1 enjoy non-discriminatory treatment across a range of sectors including retail and construction services;
- 2 enjoy protection and security, such as against unlawful expropriation without compensation; and
- 3 freely conduct capital transfers.

# US-Singapore Free Trade Agreement (USSFTA)

JAN  
2004

The USSFTA entered into force.



US' first bilateral free trade agreement with a country in Asia.



USSFTA remains a high-performing agreement with comprehensive and ambitious provisions.



## Did you know?



The US is the **largest foreign investor** in Singapore.

## Key Benefits Include:

### Tariffs Eliminated for all Trade in Goods.

Since 2013, 100% of Singapore-originating goods may enjoy duty-free treatment under the FTA. Goods from the US that undergo repair and alteration in Singapore may enjoy duty-free treatment when exported back to the US.



Merchandise processing fee waived for originating goods, lowering the cost of trading goods between the US and Singapore.

**Rules of Origin** which make it easier for Singaporean products to qualify for duty-free treatment. Product sectors that have benefitted include:



Beverage Concentrates



Mineral fuels and oils



Plastics



Chemicals



Metals



Established timelines for the release of goods and express shipments lead to **increased efficiency and predictability** for traders.

### Trade in Services

**Enhanced market access** allow **businesses** to compete on a level playing field in each other's markets. Sectors include:



Financial



Environmental



Distribution



Professional Services



**Enhanced transparency in domestic regulatory processes.**

Businesses will benefit from greater transparency from regulatory authorities on regulations being proposed or implemented.

### An Open and Predictable Investment Environment

**Commitments on market access, non-discriminatory treatment and investment protection including against unlawful expropriation** create a **more secure and predictable framework for investors** that facilitates cross-border investments.

Investor-state arbitration ensures that investors who are affected by government actions that are in breach of treaty obligations may directly take the dispute to an international arbitration tribunal to seek redress.

### Enhanced Access to Government Procurement Opportunities

Companies have **enhanced access to government procurement opportunities** and can participate in tenders for goods and services conducted by the US Government entities as specified in the USSFTA.



Compared to the WTO Government Procurement Agreement, Singapore supplies **can bid for more tenders under the USSFTA.**

### Intellectual Property Protection

Singapore companies enjoy **strengthened protections for intellectual property** which are above current commitments under the WTO Agreement on Trade-Related Aspects of Intellectual Property (TRIPS).



The USSFTA provides for greater protection of copyrights, trademarks, as well as patents and related rights, and improves anti-piracy IP enforcement.

### E-commerce

The USSFTA was **one of the earliest agreements** to include provisions on e-commerce to address free trade in the digital age.

Digital products that are delivered electronically between Singapore and US through the internet will not be charged a "customs duty" although internal taxes are still applicable.

Digital products made in Singapore are also **guaranteed the same treatment as similar digital products** created in the US market and vice versa.



Provides **greater business certainty and cost savings**



# ASEAN Economic Community (AEC)

ASEAN is Singapore's largest trading partner, third largest services export market, and top investment destination.



Expanding GDP with annual growth rate projected to average **5.2%** from **2016-2020** (compared to 3.1% globally)



**630 million consumers** and growing globally



**Increasing purchasing power** as ASEAN's middle income class is expected to reach half a billion by 2030



Projected to be **4th largest** single market in the world by 2030 (behind EU, US, China)



ASEAN Member States cooperate in numerous areas under the AEC to promote regional economic cooperation. ASEAN has binding agreements in **three core areas**.

Singapore chaired ASEAN in 2018, and secured deliverables that update and improve the commitments that Member States have in these three areas.

In addition to these core areas, Singapore also spearheaded efforts to further develop the ASEAN digital economy and harness its potential and opportunities.



Trade in Goods



Trade in Services



Investment



## Trade in Goods

The ASEAN Trade in Goods Agreement (ATIGA) entered into force in 2010.

**Eliminates 98.64% of all tariffs in the region.**

Singapore businesses can:



Export originating products to ASEAN without incurring tariffs for virtually all goods.



Source from the region at lower cost, which lowers production costs.



Enjoy better and preferential access to the rapidly growing consumerism and demand in ASEAN.

**Facilitates trade through customs integration, harmonisation of standards and technical regulations, and elimination of non-tariff barriers.**

**From 2018**

**ASEAN Single Window (ASW) went 'live' on 1 Jan 2018 for Five ASEAN Member States (Indonesia, Malaysia, Singapore, Thailand, Vietnam). Brunei, Cambodia and Lao PDR have since also gone 'live'.**



Expedites cargo clearance and cuts down unnecessary paperwork.

**ASEAN-wide Self-Certification Scheme (AWSC) introduced.**



Cuts costs and administrative hassle for certified exporters, with potential savings of approximately half a million dollars annually or more once implemented.



## Trade in Services

ASEAN Framework Agreement on Services (AFAS) and ASEAN Trade in Services Agreement (ATISA).



AFAS provides the legal framework for ASEAN Member States to progressively liberalise or eliminate restrictions in services trade.



Transformed ASEAN from a net importer to a net exporter of services, and strengthened our attractiveness as a destination for Foreign Direct Investment (FDI).

**From 2018**



Protocol to implement the 10th and final package of services liberalisation commitments under the AFAS signed. Singapore services suppliers will enjoy the widest preferential services market access into ASEAN markets to-date (between 102 to 122 services sub-sectors at least).



## Conclusion of ATISA negotiations

ATISA builds on AFAS' services liberalisation commitments and provides Singapore services suppliers with a more stable and predictable environment for trade in services, especially through the reduction of discriminatory regulatory barriers and establishing a more transparent regime.



## Investment

ASEAN Comprehensive Investment Agreement (ACIA) entered into force in 2012. It focuses on Investment Liberalisation, Investment Protection, Investment Promotion and Investment Facilitation.

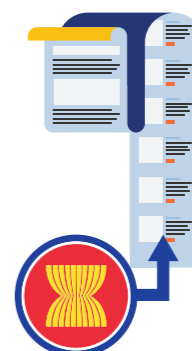
**Singapore investors enjoy non-discriminatory treatment and preferential access across the following sectors:**



Singapore investors will enjoy greater protection and security, such as compensation in cases of unfair expropriation, guarantees of free transfer of funds and recourse through Investor-State Dispute Settlement.

**From 2018**

## Enhancements to the ACIA



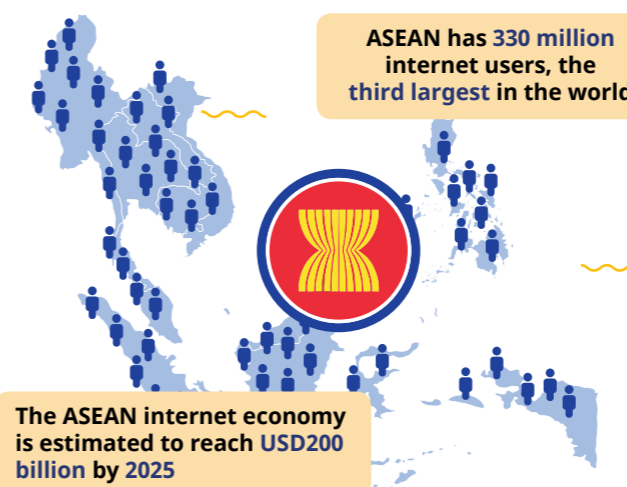
Additional and clearer commitments to prohibit ASEAN governments from imposing specified performance requirements on investors as condition for entering, expanding or operating in their countries.

Commitment to structure their investment liberalisation commitments to instil greater transparency and clarity on the nature and extent of restrictions in ASEAN markets.



## Digital Economy

ASEAN recognises the increasing importance of the digital economy and its role as an enabler for trade, and has made strides to harness its potential.



**From 2018**



## ASEAN Agreement on e-Commerce

Creates a conducive environment for the growth of e-Commerce by promoting trade rules to build up greater digital trade and connectivity in the region.



## ASEAN Digital Integration Framework (DIF)

Helps ASEAN businesses, in particular MSMEs, to potentially achieve a USD 0.8 to 1.1 trillion increase in GDP across ASEAN by 2025.

# ASEAN-China Free Trade Area (ACFTA) Agreement



ACFTA entered into force.

Protocol to Upgrade the ACFTA signed.



This was China's first FTA, and also ASEAN's first FTA with an external dialogue partner.



## Did you know?



ASEAN and China committed to achieving a joint target of US\$1 trillion in trade and investment of US\$150 billion by 2020.

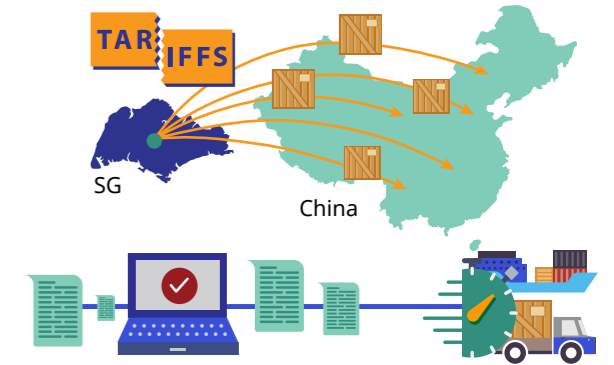


## Key Benefits Include:

### Trade in Goods

Tariff elimination for **94.6%** of all tariff lines for Singapore's originating exports to China.

New provisions in Customs Procedures and Trade Facilitation, like electronic customs transactions, simplification and harmonisation of customs procedures allow Singapore businesses to benefit from smoother administrative processes, greater certainty in export and import timelines and reduced time-to-market.



With ASEAN cumulation, materials sourced from ASEAN Member States (AMS) would be deemed as originating from Singapore when incorporated into certain final products which can then enable such products to qualify for preferential tariff treatment.

Singapore exporters can re-export goods from AMS and enjoy preferential tariffs without substantial processing being done in Singapore for example break-bulking and labelling. Singapore exporters will only need to apply for a back-to-back Preferential Certificate of Origin (PCO) to enjoy preferential tariff treatment.

More flexible Rules of Origin also allow Singapore's exports to better qualify for preferential tariffs.



### Trade in Services

Greater market access and improved foreign equity thresholds in six of China's services sectors:



Engineering Services



Integrated Engineering Services



Construction Services



Securities Services



Sporting and Other Recreational Services



Travel Agency and Tour Operator Services

### Investments



Improved investment promotion and facilitation provisions allow investors to benefit from more stable, favourable, and transparent investment conditions.

### Others



**Expanded Economic Cooperation and Technical Cooperation** provisions that include new elements of information sharing and capacity building in Cross-Border Commerce cooperation allow Singapore's Micro, Small and Medium Enterprises (MSMEs) to enhance their capabilities.

**A Future Work Programme (FWP)** was established to facilitate further negotiations on product specific Rules of Origin, further tariff liberalisation, and investment liberalisation and protection commitments.

The Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation and Certain Agreements thereunder between ASEAN and China ("Upgrade Protocol") was signed by ASEAN Member States and China.

**Negotiations to enhanced Product Specific Rules of Origin (PSRs) concluded in Sep 2018.** Implementation of these enhanced rules began in Sep 2019. This will allow businesses to qualify for the benefits under the ACFTA with more business friendly Rules of Origin for particular products. The enhanced PSRs are more liberal and flexible on products such as:



Mineral fuels and oils



Pharmaceuticals



Chemical products



Machineries and electrical equipment

# ASEAN-Japan Comprehensive Economic Partnership (AJCEP)

DEC  
2008

The AJCEP entered into force.

MAR  
2019

The First Protocol to Amend the AJCEP was signed in Siem Reap, Cambodia.



## Did you know?



The spouse and children of approved Singapore-based investors are granted the same entry and residence requirements into Japan.

## Key Benefits Include:

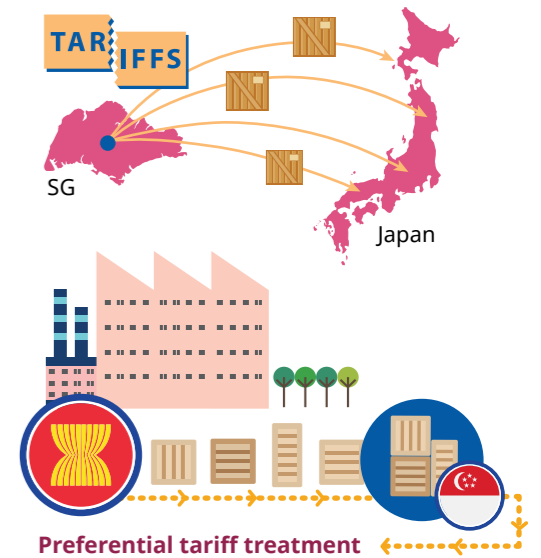
### Trade in Goods

Tariff elimination for **84.5%** of all tariff lines for Singapore's originating exports to Japan.

### Singapore's exports to Japan enjoy Trade Facilitative Rules of Origin (ROO) tariff treatment.

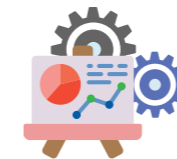
With ASEAN cumulation, materials sourced from ASEAN Member States (AMS) would be deemed as originating from Singapore when incorporated into certain final products which can then enable such products to qualify for preferential tariff treatment.

Singapore exporters can re-export goods from AMS and enjoy preferential tariffs without substantial processing being done in Singapore for example break-bulking and labelling. Singapore exporters will only need to apply for a back-to-back Preferential Certificate of Origin (PCO) to enjoy preferential tariff treatment.



### Trade in Services

Singapore businesses enjoy improved market access in:



Research and Development



Postal/Courier



Education



Audio-visual services

These provisions exceed Japan's commitments at the World Trade Organisation (WTO) General Agreement on Trade in Services (GATS).

### Investments



Japan accords the same level of protection to Singapore investments as that to local companies in Japan.



Singapore investments based in Japan do not face any specific nationality requirements when appointing members to its senior management or board of directors.



Japan and ASEAN will not subject Singapore investments to certain performance requirements. This means that Singapore investors need not meet certain specified goals as a condition for entering or expanding in Japan or ASEAN.



Singapore investors can freely transfer funds including profits, capital gains and other related payments to and from Japan to their respective home countries.



# Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)



The CPTPP entered into force.

The CPTPP is a free trade agreement between 11 countries

Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam

Countries that have ratified the CPTPP to date are:



Australia



Canada



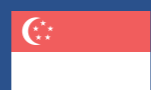
Japan



Mexico



New Zealand



Singapore



Vietnam

\*The CPTPP entered into force for Vietnam on 14 January 2019.



## Did you know?



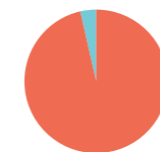
Singapore was the **3rd country** to ratify the agreement in July 2018.



## Key Benefits Include:

### Tariff Elimination

Greater market access for all originating exports.



Upon entry into force

**94%** of Singapore's trade with CPTPP Parties will be tariff-free



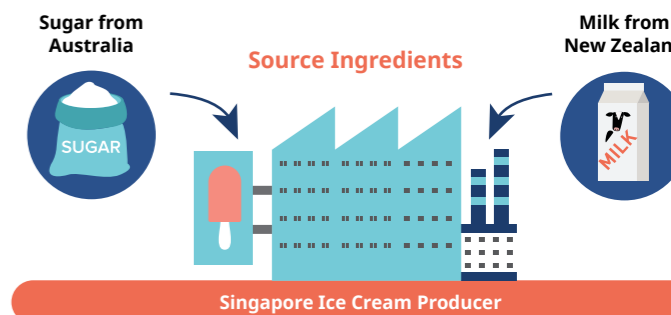
For **Mexico** and **Canada** (which Singapore has no trade agreement with), import tariffs on **88%** and **99%** of our trade have been eliminated

### Trade Facilitative Rules of Origin (ROO)

With "**regional cumulation**", materials sourced from CPTPP countries will be deemed as originating content and qualify for preferential tariffs when the finished good is exported to other CPTPP countries.

For example, a Singapore ice cream producer can source ingredients from CPTPP countries and count these ingredients toward meeting the ROO for preferential tariffs.

The **alternative origin** criteria gives Singapore companies a choice of which criteria to use to benefit from preferential tariffs.



### Greater Access to Services Sectors

Singapore businesses can enjoy preferential market access in the CPTPP markets. The sectors include:



Professional Services



Telecommunications



Transport and Energy

### Investment Protection and Guarantees

**Strong and predictable investment rules** ensure that Singapore businesses will not be treated less favourably than local or non-CPTPP country investors, while enjoying preferential investment conditions.



### More Opportunities in Government Procurement

Singapore companies can bid for government projects in the IT, construction and consultancy sectors in markets such as Mexico and Vietnam, which were previously closed to foreign bidders.



### Facilitative Framework for the Digital Economy

Singapore companies can bid for government projects which were previously closed to foreign bidders.



Cross-border data flows and removal of localisation requirements.



A free and open Internet enables the creation and growth of new Internet services.



Market access no longer contingent on forced transfers of technology.



Electronically transmitted products will be free from import duties.

### Intellectual Property Protection

Robust IP protection, including trademarks, patents and geographical indicators.



# Gulf Cooperation Council-Singapore Free Trade Agreement (GSFTA)



The GSFTA entered into force.



Singapore is the **first Asian country** to sign an FTA with the Gulf Cooperation Council (GCC).

The GCC includes the following countries:



Bahrain



Kuwait



Oman



Qatar



Saudi Arabia



United Arab Emirates



## Did you know?



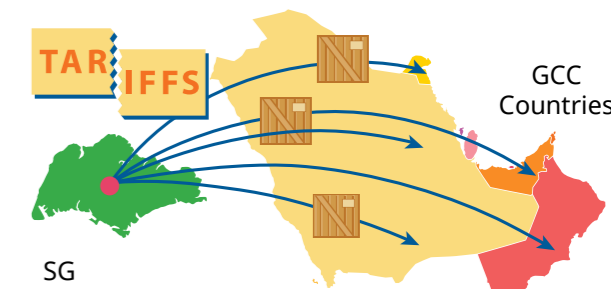
Singapore has also signed separate Bilateral Investment Treaties with all the GCC countries which sets out standards of protection for our investments in the GCC countries.



## Key Benefits Include:

### Trade in Goods

Approximately **98.6%** of Singapore's originating exports to all the GCC countries are tariff-free.



### Sectors include:



Telecommunications



Electrical and Electronic Equipment



Offshore and Marine



Jewellery

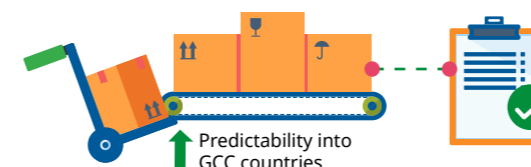


Iron and Steel-related Industries



### Rules of Origin

In general, **Singapore exports with at least 35% of its content originating from Singapore or GCC** qualify for preferential tariffs.



### Customs Procedures

Singapore exports enjoy greater predictability into GCC countries as importing countries have to issue a written advance ruling to confirm if a product qualifies for preferential tariffs.

### Trade in Services

Singapore companies enjoy improved market access for various services sectors:



#### Legal Services

UAE, Bahrain, Qatar and Saudi Arabia have allowed up to 100% foreign equity for Singapore legal companies. Oman has allowed up to 70% foreign equity for Singapore legal companies.



#### Construction Services

UAE has allowed up to 70% foreign equity for Singapore construction companies. For large infrastructure projects that exceed US\$450M (e.g. airports, highways and sports facilities), up to 100% foreign equity is allowed for Singapore construction companies. Bahrain, Kuwait, Oman, Qatar and Saudi Arabia have allowed up to 100% foreign equity for Singapore construction companies.



#### Education Services

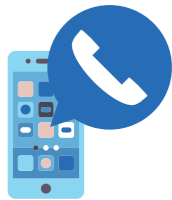
Bahrain, Saudi Arabia, Qatar and UAE have allowed up to 100% foreign equity for Singapore companies supplying education services. Oman has allowed up to 70% foreign equity for Singapore companies supplying education services.

# Contact Enterprise Singapore to find out how FTAs can help you go global



## Enterprise Singapore Website

Visit [www.fta.gov.sg](http://www.fta.gov.sg) to learn more about the provisions of specific FTAs.



## Enterprise Infoline

Contact the Enterprise Infoline at [enquiry@enterprisesg.gov.sg](mailto:enquiry@enterprisesg.gov.sg) or **+65 6898 1800** to set up a consultation on how to bring your business abroad – including with the use of FTAs.



## Tariff Finder

You may also use the **Tariff Finder** to compute and maximise duty savings through FTAs and understand trade-related rules and formalities covering more than 120 destinations.



### Nomenclatures

Search for product's Harmonised System (HS) code.



### Tariffs and Taxes

Check Customs duties, preferential tariffs and taxes applicable to a specific product, and to the destination country.



### Rules of Origin

Find the Rules of Origin to qualify for preferential tariffs under Free Trade Agreements.



### Import Formalities

Find the import procedures and documents required for import into the destination country.



**Reduce disparity** in opinions on HS classification of products in destination country and exporting country.



**Maximise benefits** from Free Trade Agreements.



**Reduce scrutiny** of product origin status by destination country's authorities.



**Reduce delays** in verification checks by destination country's authorities resulting in loss of preferential treatment.

# Other Resources and Support



## Singapore Customs

Contact Singapore Customs at <https://www.customs.gov.sg/feedback> or **+65 6355 2000** for Customs-related enquiries (e.g. Rules of Origin, Customs procedures chapter in FTAs).



## SME Centres

For additional help for SMEs, our SME Centres also provide free one-to-one diagnosis and advisory sessions.

### SME Centre@Ang Mo Kio

Ang Mo Kio Community Centre  
795, Ang Mo Kio Avenue 1  
#03-03, Singapore 569976  
Tel: +65 9457 2265  
Email: [central@smecentre-sccci.sg](mailto:central@smecentre-sccci.sg)

### SME Centre@ASME

167, Jalan Bukit Merah  
#03-13, Tower 4, Singapore 150167  
Tel: +65 6513 0388  
Fax: +65 6513 0399  
Email: [enquiries@smecentre-asme.sg](mailto:enquiries@smecentre-asme.sg)

### SME Centre@Central

HDB Hub BizThree  
490, Lorong 6 Toa Payoh  
#07-11, Singapore 310490  
Tel: +65 6715 7580  
Email: [central@smecentre-sccci.sg](mailto:central@smecentre-sccci.sg)

### SME Centre@Changi Simei

Changi Simei Community Club  
10, Simei Street 2  
Singapore 529915  
Tel: +65 6513 0388  
Fax: +65 6513 0399  
Email: [changisimei@smecentre-asme.sg](mailto:changisimei@smecentre-asme.sg)

### SME Centre@Little India

Little India Arcade  
48 Serangoon Road  
#01-22, Singapore 217959  
Tel: +65 6508 0149  
Email: [littleindia@smecentre-sicci.sg](mailto:littleindia@smecentre-sicci.sg)

### SME Centre@NorthEast

Our Tampines Hub  
51 Tampines Ave 4  
#04-31, Singapore 529684  
Tel: +65 6513 0388  
Fax: +65 6513 0399  
Email: [northeast@smecentre-asme.sg](mailto:northeast@smecentre-asme.sg)

### SME Centre@NorthWest

Woodlands Civic Centre  
900, South Woodlands Drive  
#06-01, Singapore 730900  
Tel: +65 6826 3020  
Fax: +65 6826 3021  
Email: [northwest@smecentre-smf.sg](mailto:northwest@smecentre-smf.sg)

### SME Centre@SCCCI

Trade Association Hub  
9, Jurong Town Hall Road  
#03-18, Singapore 609431  
Tel: +65 6337 8381  
Email: [enquiry@smecentre-sccci.sg](mailto:enquiry@smecentre-sccci.sg)

### SME Centre@SICCI

SICCI Building  
31, Stanley Street  
Singapore 068740  
Tel: +65 6508 0147  
Fax: +65 6223 1707  
Email: [sme@smecentre-sicci.sg](mailto:sme@smecentre-sicci.sg)

### SME Centre@SMCCI

15, Jalan Pinang  
Singapore 199147  
Tel: +65 6293 3822  
Email: [gadvisory@smecentre-smcci.sg](mailto:gadvisory@smecentre-smcci.sg)

### SME Centre@SMF

SMF House  
2985, Jalan Bukit Merah  
Singapore 159457  
Tel: +65 6826 3020  
Fax: +65 6826 3021  
Email: [query@smecentre-smf.sg](mailto:query@smecentre-smf.sg)

### SME Centre@SouthEast

1, Engku Aman Turn  
#03-02, Wisma Geylang Serai  
Singapore 408528  
Tel: +65 6513 0388  
Fax: +65 6513 0399  
Email: [southeast@smecentre-asme.sg](mailto:southeast@smecentre-asme.sg)

### SME Centre@SouthWest

The JTC Summit  
8, Jurong Town Hall Road  
#26-06, Singapore 609434  
Tel: +65 6316 1616  
Fax: +65 6316 7250  
Email: [southwest@smecentre-smf.sg](mailto:southwest@smecentre-smf.sg)



For more information, please visit [www.fta.gov.sg](http://www.fta.gov.sg) or contact [enquiry@enterprisesg.gov.sg](mailto:enquiry@enterprisesg.gov.sg)

Information is accurate as of October 2019