

## **SINGAPORE AND IRAN SIGN AGREEMENT TO PROMOTE AND PROTECT INVESTMENTS**

1. Singapore Minister for Trade and Industry (Industry), Mr S Iswaran and Iran Minister of Economic Affairs and Finance, Dr Ali Tayyebnia signed an Agreement on Reciprocal Promotion and Protection of Investments, also known as a Bilateral Investment Treaty (BIT), in Tehran, Iran on 29 February 2016.
2. The agreement comes at a time of renewed interest from the business community and underscores the commitment by both governments to grow bilateral trade and investment between Singapore and Iran. The agreement will protect investors' interests from both sides and open up more business and investment opportunities.
3. At the signing ceremony, Mr Iswaran said, "As part of their internationalisation strategy, Singapore companies must venture beyond traditional markets to seize opportunities in new and emerging economies like Iran. With the lifting of sanctions, the Singapore business community has expressed strong interest and renewed optimism in this untapped market. It is evident in the SBF business delegation to Iran, which is its largest to the Middle East, with companies from sectors as diverse as oil & gas, petrochemicals, logistics, ICT, and professional services. With the signing of the Bilateral Investment Treaty, we look forward to strengthening bilateral economic ties with our businesses collaborating on opportunities of mutual interest in Iran and other markets."
4. In 2015, Iran was Singapore's 11th largest trading partner out of 18 countries in the Middle East. With the lifting of sanctions, Singapore companies have expressed interest in the oil and gas (offshore), petrochemicals, transport, information technology and professional services sectors.

### **Annex A: About the Bilateral Investment Treaty**

**MINISTRY OF TRADE AND INDUSTRY  
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## Annex A

### About the Bilateral Investment Treaty

The Bilateral Investment Treaty (BIT) is a legally binding agreement between Iran and Singapore. It establishes rules on how Iran should treat investments from Singapore, and vice versa. With this agreement, Singapore companies operating in Iran will enjoy protection from the treaty, on top of the protection accorded under Iran's domestic laws. Singapore investors and investments in Iran will be:

- Treated as favourably as any other foreign or local investments;
- Provided prompt, adequate and effective compensation in the event of nationalisation;
- Allowed cross border transfer of capital and returns; and
- Given the option to resolve investment disputes amicably through consultation. The agreement also provides Singapore investors the option to resolve the dispute through international arbitration.