

**FOR IMMEDIATE REPORTING**

**CONCLUSION OF THIRD REVIEW OF THE  
SINGAPORE-AUSTRALIA FREE TRADE AGREEMENT**

1. Singapore and Australia are strengthening bilateral relations and enhancing economic cooperation and integration with the signing of the upgraded Singapore-Australia Free Trade Agreement (SAFTA).
2. Prime Minister Lee Hsien Loong, who is currently on a two-day official visit to Canberra, Australia, and Australia's Prime Minister Malcolm Turnbull witnessed the signing of the upgraded SAFTA by Minister for Trade and Industry (Trade) Lim Hng Kiang and Australia's Minister for Trade, Tourism and Investment Steven Ciobo today.
3. The SAFTA was reviewed under the ambit of the Singapore-Australia Comprehensive Strategic Partnership (CSP) agreement adopted by Prime Minister Lee and Australia's then-Prime Minister Tony Abbott in June 2015. Under the CSP, Singapore and Australia will open a new, dynamic chapter in our bilateral partnership by deepening existing areas of cooperation and catalysing new ones, including in the area of economic cooperation and integration. Negotiations for this third review of the SAFTA were launched in September 2015 and concluded in September 2016.
4. Said Minister Lim, "This third review of the Singapore-Australia Free Trade Agreement signals the commitment of both governments to promote stronger economic ties by increasing the flow of goods, services, and investment between our countries. The upgraded SAFTA builds on existing provisions and incorporates new commitments which will make it easier for Singapore and Australian companies to leverage opportunities in both countries." These include updated trade rules in goods, increased opportunities for businesses to bid for government procurement contracts, enhanced access to each other's services sectors, and greater facilitation for investments. Other enhancements include improved mobility for business persons, and rules to facilitate trade in the digital economy.
5. Singapore and Australia enjoy strong economic ties. Singapore ranks as Australia's fifth largest trade and investment partner, and Australia's largest trading partner among the ASEAN countries. Bilateral trade has grown steadily over the years and reached S\$20 billion in 2015.
6. The upgraded SAFTA is expected to enter into force in 2017. Singapore companies that are interested in business and investment opportunities in Australia are encouraged to contact IE Singapore at 1800-IE-SPORE (1800 437 7673) or email [enquiry@iesingapore.gov.sg](mailto:enquiry@iesingapore.gov.sg).

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**MINISTRY OF TRADE AND INDUSTRY**  
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**Annex: Key Benefits of the Upgraded Singapore-Australia Free Trade Agreement**

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**Annex**

**Key Benefits of the  
Upgraded Singapore-Australia Free Trade Agreement**

The Singapore-Australia Free Trade Agreement (SAFTA) is a wide-ranging and comprehensive agreement, covering tariff-free access for goods, improved market access for services and trade facilitation, as well as cooperation in key areas such as e-commerce, standards, education, intellectual property protection, competition policy, and customs procedures. It entered into force on 28 July 2003, and has since been reviewed twice. The third review took place under the ambit of the Singapore-Australia Comprehensive Strategic Partnership (CSP), a landmark agreement to deepen economic integration.

2. When the upgraded SAFTA enters into force in 2017, Singapore and Australian companies will enjoy greater access to each other's markets across many sectors. The key benefits of the upgraded SAFTA include:

- Improved rules of origin. Singapore and Australia have agreed to more flexible rules of origin, which will make it easier for Singapore exports into Australia to qualify for tariff-free treatment. To enhance trade facilitation, Singapore and Australia have also updated the SAFTA to reflect current customs procedures.
- Reduction of non-tariff barriers. Singapore and Australia will reduce regulatory barriers that impede trade in goods, such as wine and distilled spirits, cosmetics, medical devices, and pharmaceutical products.
- Access to government procurement contracts. Singapore companies will enjoy enhanced access to Australia's Government Procurement (GP) market. They will be able to bid for procurement contracts from Australia's Federal government as well as all eight States and Territories. Similarly, Australian companies will also benefit from improved access to Singapore's GP market.
- Investment facilitation. Singapore investors will benefit from greater facilitation of investments into Australia, in particular through higher thresholds for investments screened by Australia's Foreign Investment Review Board (FIRB). For example, investors will not need to seek approval from FIRB for investments below A\$1.094 billion (non-sensitive sectors) into Australia.

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- Access to the services sectors. Singapore and Australia have committed to grant better access to each other's services markets. The upgraded SAFTA includes areas of interest to Singapore and Australian companies, such as the recognition of professional qualifications in areas such as Engineering and Accountancy.
- Improved mobility of business persons. Singapore and Australia have agreed to improve mobility and lengths of stay for our business people, for example, intra-corporate transferees.