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SINGAPORE AND MERCOSUR LAUNCH NEGOTIATIONS FOR FREE TRADE AGREEMENT

1. Singapore and MERCOSUR launched negotiations for a MERCOSUR-Singapore Free Trade Agreement (MSFTA) on 23 July 2018. MERCOSUR is a South American customs union comprising Argentina, Brazil, Paraguay and Uruguay. It is a collective market of more than 260 million people and a GDP of US\$2.5 trillion.
2. Senior Minister of State for Trade and Industry and Education Chee Hong Tat and his counterparts Daniel Raimondi, Vice Minister of Foreign Affairs, Argentina, Mauricio Lyrio, Brazil's Ambassador to Mexico, Federico González, Vice Minister of Foreign Affairs, Paraguay and Ariel Bergamino, Vice Minister of Foreign Affairs, Uruguay, announced the launch of the negotiations on the sidelines of the 13th Pacific Alliance Summit held in Puerto Vallarta, Mexico.
3. Mr Chee said, "Singapore and MERCOSUR are committed to fostering closer economic integration. The MSFTA will encourage more trade and reduce barriers for Singapore businesses to explore opportunities in the MERCOSUR markets. It will also facilitate investments from companies in MERCOSUR who are interested to expand their presence in Southeast Asia by using Singapore as a regional hub."
4. The MSFTA will deepen bilateral economic relations and enhance trade and investment ties between Singapore and the South American region. It will also secure market access and create opportunities for Singapore businesses.

Ministry of Trade and Industry
24 July 2018

Annex A: Fact sheet on Singapore-MERCOSUR Economic Relations
Annex B: Photo from the Signing Ceremony

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Annex A: Fact sheet on Singapore-MERCOSUR Economic Relations

MERCOSUR

1. MERCOSUR is a South American trade bloc established in 1991 comprising Argentina, Brazil, Paraguay and Uruguay. Collectively, it represents a market of more than 260 million people and a combined GDP of US\$2.5 trillion.

Singapore-MERCOSUR Bilateral Economic Relations

2. Singapore's total trade in goods with the MERCOSUR countries amounted to S\$3.97 billion in 2017, while trade in services amounted to S\$2.69 billion in 2016. Singapore's stock of Direct Investment Abroad (DIA) in the MERCOSUR countries was S\$1.91 billion as at end-2016.

3. As of 2016, there are 94 registered companies from MERCOSUR countries in Singapore and about 68 known overseas affiliates from Singapore to MERCOSUR. Both Enterprise Singapore and the Economic Development Board have offices in São Paulo, Brazil. Singapore's business interests in MERCOSUR are currently in the oil and gas, agri-business, manufacturing, hospitality and logistics sectors. Singapore companies present in the MERCOSUR countries include Ascott, Changi Airports International, SMRT Corporation Ltd, Olam International, Wilmar International Limited and Sunningdale Tech.

Annex B: Photo from the Signing Ceremony



Caption: (From L to R) Daniel Raimondi, Argentina Vice Minister of Foreign Affairs, Federico González, Paraguay Vice Minister of Foreign Affairs, Ariel Bergamino, Uruguay Vice Minister of Foreign Affairs, Chee Hong Tat, Singapore Senior Minister of State for Trade and Industry and Education, and Mauricio Lyrio, Brazil's Ambassador to Mexico.