

For Immediate Release

**SINGAPORE AND THE EURASIAN ECONOMIC UNION DEEPEN
ECONOMIC RELATIONS THROUGH A FREE TRADE AGREEMENT**

1. Singapore and the Eurasian Economic Union (EAEU) signed three agreements in Yerevan, Armenia. These agreements will catalyse greater business links between Singapore and the EAEU and create diverse opportunities for trade and investment beyond Singapore's traditional markets.
2. Singapore signed the EAEU-Singapore Free Trade Agreement (EAEUSFTA) Framework Agreement and the non-Services and Investment Agreement with the Eurasian Economic Commission (EEC) and all five EAEU Member States¹. The non-Services and Investment Agreement of the EAEUSFTA covers market access for trade in goods via reduction of tariff and non-tariff barriers, as well as other areas that facilitate trade such as competition, customs cooperation, e-commerce, environment, government procurement and intellectual property. Singapore also signed a Services and Investment Agreement with Armenia. Services and Investment Agreements with Belarus, Kazakhstan, Kyrgyzstan and Russia are being negotiated.
3. Senior Minister and Coordinating Minister for Social Policies Tharman Shanmugaratnam signed the agreements for Singapore. The EAEU signatories were Chairman of the EEC Tigran Sargsyan, Deputy Prime Minister of Armenia Mher Grigoryan, Deputy Prime Minister of Belarus Igor Petrishenko, First Deputy Prime Minister of Kazakhstan Alikhan Smailov, Deputy Prime Minister of Kyrgyzstan Zhenish Razakov, and First Deputy Prime Minister of Russia Anton Siluanov.
4. Prime Minister Lee Hsien Loong witnessed the signing, together with Prime Minister of Armenia Nikol Pashinyan, President of Belarus Alexander Lukashenko, President of Kazakhstan Kassym-Jomart Tokayev, President of Kyrgyzstan Sooronbay Jeenbekov, and President of Russia Vladimir Putin.
5. The EAEUSFTA will enhance Singapore's goods and services trade with the combined Eurasian market of more than 180 million people. EAEU Member States will reduce or eliminate tariffs on 90% of products that Singapore currently exports to the EAEU upon the agreement's entry into force. Products that will benefit from the tariffs reduction include mineral fuels, oils and their distillates,

¹ The Eurasian Economic Union (EAEU) comprises Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia

prepared foodstuffs, machinery and mechanical equipment, chemical products, pharmaceutical products and precision instruments.

6. The EAEUSFTA will also facilitate business operations through enhanced transparency and institutional linkages. For instance, Singapore and the EAEU will undertake regulatory cooperation in areas such as the protection of investments and intellectual property, promotion of electronic commerce, streamlining of customs processes, and closer collaboration on competition enforcement and trade facilitation. These will strengthen trade and investment between Singapore and the EAEU, enhance business networks, and lower business costs.

7. In 2018, Singapore's total bilateral goods trade with the EAEU was close to S\$9 billion. Singapore's top exports to the EAEU were machinery and metals. Singapore's top imports from the EAEU were petroleum and mineral oils. Bilateral services trade was more than S\$2 billion in 2017. Top traded services were transport services, financial services, telecoms service and trade-related services. Singapore's Direct Investment Abroad (DIA) into the EAEU exceeded S\$20 billion in 2017. Foreign Direct Investment (FDI) from the EAEU into Singapore amounted to S\$11.5 billion in 2017.

8. Singapore companies that are interested in business and investment opportunities in the EAEU can contact enquiry@enterprisesg.gov.sg.

Annex A: About the EAEU-Singapore Free Trade Agreement

Annex B: Infographic on the EAEU-Singapore Free Trade Agreement

Annex C: Factsheet on Singapore-EAEU Economic Relations

MINISTRY OF TRADE AND INDUSTRY

1 October 2019

For media queries, please contact:

Edith Lim

Assistant Director, Corporate Communications Division

Tel: 6332 7315, HP: +65 8518 3471


Email: Edith.LIM@mti.gov.sg

Annex A: About the EAEU-Singapore Free Trade Agreement


- The complete EAEU-Singapore Free Trade Agreement (EAEUSFTA) will comprise seven components:
 - One Framework Agreement – the overarching umbrella for the entire FTA that ties together the non-Services and Investment (S&I) Agreement and the five Services and Investment (S&I) Agreements.
 - One non-S&I Agreement – covers Trade in Goods and other chapters. The Trade in Goods chapters cover Market Access, Trade Remedies, Rules of Origin, Customs Cooperation and Trade Facilitation, Technical Barriers to Trade, and Sanitary and Phytosanitary Measures. The additional chapters beyond Trade in Goods cover Competition, Customs Cooperation, E-commerce, Environment, Government Procurement, and Intellectual Property.
 - Five S&I Agreements – one with each of the five EAEU Member States.
- The Framework Agreement and non-S&I Agreement of the EAEUSFTA were negotiated between Singapore and the Eurasian Economic Commission (EEC), the executive body of the EAEU, which has jurisdictional competency over the EAEU Member States' non-S&I policies.
- The S&I Agreements of the EAEUSFTA are between Singapore and each of the five EAEU Member States, as Member States retain national sovereignty over S&I policies.

Annex B: Infographic on the EAEU-Singapore Free Trade Agreement


Eurasian Economic Union-Singapore Free Trade Agreement (EAEUSFTA)




Singapore




Armenia




Belarus



Kazakhstan



Kyrgyzstan



Russia

2019

1

OCT


Singapore, the Eurasian Economic Commission (EEC), and the five EAEU Member States signed the

- **Framework Agreement**
- **Non-Services and Investment Agreement of the EAEUSFTA:**
Covers trade in goods, competition, customs cooperation, e-commerce, environment, government procurement and intellectual property

Singapore and Armenia signed the


- **Services and Investment Agreement**

Four Services and Investment Agreements with the remaining EAEU Member States are being negotiated.




KEY BENEFITS

Greater businesses links




Diverse opportunities beyond Singapore's traditional markets




Lower business costs for importers in the EAEU through lower tariffs and lifting of barriers.

The EAEU will reduce or eliminate tariffs on 90% of products that Singapore currently exports to the EAEU.


Products include:




Mineral fuels oils and their distillates




Prepared foodstuffs




Machinery and mechanical equipment



Chemical products




Pharmaceutical products




Precision instruments


Facilitate business operations through enhanced transparency and institutional linkages. For instance, Singapore and the EAEU will undertake regulatory cooperation in:




Investment protection




Intellectual property protection



e-Commerce



Streamlined customs processes



Closer collaboration in competition enforcement

MTI MINISTRY OF TRADE AND INDUSTRY SINGAPORE

enquiry@enterprisesg.gov.sg | Information is accurate as of October 2019

Annex C: Factsheet on Singapore-EAEU Economic Relations

Background of the EAEU

1. The Eurasian Economic Union (EAEU), established on 1 January 2015, is an economic bloc and customs union comprising five countries: Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia. The EAEU represents a market of more than 180 million² people. It had a total GDP of US\$1.9 trillion in 2018³.

Existing Bilateral Agreements between Singapore and the EAEU Member States

2. Singapore has Avoidance of Double Taxation Agreements (DTAs) in force with Belarus, Kazakhstan, and Russia; and a DTA signed with Armenia.

- The Singapore-Armenia DTA was signed in July 2019 and awaiting ratification before entering into force.
- The Singapore-Belarus DTA was signed in March 2013 and came into force in December 2013.
- The Singapore-Kazakhstan DTA was signed in September 2006 and came into force in August 2007.
- The Singapore-Russia DTA was signed in September 2002 and came into force in January 2009.

3. Singapore has signed Bilateral Investment Treaties (BIT) with Belarus and Russia.

- The Singapore-Belarus BIT was signed in May 2000 and came into force in January 2001.
- The Singapore-Russia BIT was signed in September 2010 and came into force in June 2012.

Commercial Opportunities for Singapore Companies in the EAEU

Armenia

4. There are opportunities for Singapore companies in Armenia's priority sectors such as food processing, mining and quarrying, and energy.

² Source: CountryEconomy.com (September 2019)

³ Source: CountryEconomy.com (September 2019)

Belarus

5. There are opportunities for Singapore companies in the area of master-planning, logistics, tourism, and hospitality.

Kazakhstan

6. There are opportunities for Singapore companies in Kazakhstan's priority sectors such as smart city solutions, clean energy, and pharmaceuticals.

7. Examples of Singapore's existing collaboration with Kazakhstan include:

- **Surbana Jurong:** Completed various industrial positioning studies and master planning in Special Economic Zones (SEZs).
- **Singapore Cooperation Enterprise (SCE):** Currently working with Baiterek, a state-owned enterprise of Kazakhstan, to review Kazakhstan's governance and policies for affordable housing, develop an affordable housing transformational roadmap; and guide Baiterek on the implementation of the roadmap.

Kyrgyzstan

8. There are opportunities for Singapore companies in Kyrgyzstan's priority sectors such as agri-industry, energy, mining, transport, communications, tourism, and services.

Russia

9. There is potential for Singapore companies to collaborate with Russian partners in sectors such as tourism, innovative technologies, smart city solutions, and education.

10. Commercial collaborations between Singapore and Russia have grown in several sectors, including food, infrastructure, and oil and gas. Examples of Singapore companies in Russia include:

- **Changi Airports International (CAI):** Developed and manages the Vladivostok Airport (VVO).

- Olam International Limited (Olam): Engaged in the agriculture business in Russia since 2002, with operations in the Penza, Rostov, and Moscow regions.
- Food Empire Holdings Ltd (Food Empire): Operating in Russia for almost 25 years and is prominent in Russia's 3-in-1 instant coffee market with its MacCoffee brand, which is widely consumed in Russia.