

For Immediate Reporting

**SINGAPORE AND THE PACIFIC ALLIANCE
SUBSTANTIALLY CONCLUDE NEGOTIATIONS FOR THE
PACIFIC ALLIANCE-SINGAPORE FREE TRADE AGREEMENT**

Singapore substantially concluded negotiations with the Pacific Alliance for the Pacific Alliance-Singapore Free Trade Agreement (PASFTA) yesterday. This was welcomed by the Leaders of the Pacific Alliance countries and Prime Minister Lee Hsien Loong, who participated in the 15th Pacific Alliance Summit that was held yesterday via videoconference.

2. Minister for Trade and Industry Mr Chan Chun Sing said, “The Pacific Alliance-Singapore Free Trade Agreement will enable greater access, trade flows and opportunities for our businesses and our people. I am encouraged that we have substantially concluded negotiations on this significant Agreement. It signals a new chapter in Singapore’s relationships with the Pacific Alliance’s members and will be a pathfinder for deeper cooperation and engagement for our countries and our respective regions.”

3. The Pacific Alliance comprises Chile, Colombia, Mexico and Peru. Collectively, they form the 8th largest economy worldwide, and the 7th largest exporter in the world. In 2019, Singapore’s total trade in goods with the Pacific Alliance was S\$6.1 billion, which accounted for 33.2% of our total trade in goods with Latin America.

4. Singapore became an Observer State to the Pacific Alliance in 2014, and a Candidate Associate State in 2017. The substantial conclusion of negotiations for the PASFTA follows three years of deliberations with the Pacific Alliance. Singapore and the Pacific Alliance will now work towards a formal signing of the PASFTA in 2021.

**Ministry of Trade and Industry
12 December 2020**

Annex: Factsheet on Singapore-Pacific Alliance Economic Relations and the PASFTA

For media queries, please contact:

Eoin Ee
Assistant Director, Communications and Engagement Division
Ministry of Trade and Industry
Tel: +65 6332 7315
Email: eoin_ee@mti.gov.sg

Annex: Factsheet on Singapore-Pacific Alliance Economic Relations and the PASFTA

The Pacific Alliance

1. The Pacific Alliance (PA), a Latin American grouping comprising Chile, Colombia, Mexico and Peru, was formally established in June 2012. Collectively, it is the 8th largest economy worldwide, and the 7th largest exporter in the world. It has a combined GDP of US\$4.05 trillion¹, accounting for approximately one third of Latin America's total GDP.

Singapore's Trade with the Pacific Alliance

2. Singapore's total trade in goods with the four PA countries amounted to S\$6.1 billion in 2019, making up 33.2% of our total trade with the 33 Latin America and Caribbean countries. Trade in services amounted to S\$2.6 billion in 2018, accounting for 28.2. % of Singapore's total trade in services with the region.

The Pacific Alliance-Singapore Free Trade Agreement

3. Singapore currently has existing agreements with three of the four PA countries – Chile, Mexico and Peru:

Chile, Mexico, Peru	<p><u>Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)</u></p> <p>The CPTPP is an agreement between 11 countries: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. Concluded in January 2018 and signed in March 2018, the trade pact entered into force on 30 December 2018 for the first six Parties which ratified the Agreement (i.e. Mexico, Japan, Singapore, New Zealand, Canada and Australia) and on 14 January 2019 for Vietnam.</p>
Chile	<p><u>Trans-Pacific Strategic Economic Partnership (TPSEP)</u></p> <p>A trade agreement between four Pacific Rim countries, Brunei, Chile, Singapore and New Zealand, the TPSEP entered into force in 2006.</p>

¹ Source: CIA World Factbook. Last accessed in April 2019

	<p><u>Digital Economy Partnership Agreement</u></p> <p>The Digital Economy Partnership Agreement (DEPA) is an agreement between Singapore, Chile, and New Zealand that established new approaches in digital trade issues, promotes interoperability between different regimes, and addresses new issues brought about by digitalisation. The DEPA was signed on 12 June 2020.</p>
Peru	<p><u>Peru-Singapore Free Trade Agreement (PeSFTA)</u></p> <p>The PeSFTA, in force since August 2009, is a comprehensive agreement aimed at providing Peruvian and Singapore companies with enhanced access to each other's markets.</p>

4. The PASFTA will provide an additional platform for Singapore to engage with Chile, Mexico, Peru and the PA as a group. There will also be market access benefits from Colombia with whom we do not have a trade agreement.