

Joint Statement

The EU and Singapore agree to strengthen bilateral partnership on digital trade

Today, European Commission Executive Vice-President and Trade Commissioner Valdis Dombrovskis and Singapore Minister-in-charge of Trade Relations S Iswaran co-chaired today the inaugural Trade Committee meeting under the EU-Singapore Free Trade Agreement (EUSFTA), which entered into force on 21 November 2019. They held discussions on strengthening bilateral digital trade, including with a view to advance towards a comprehensive EU-Singapore digital partnership. In that context, they tasked EU and Singapore officials to start technical discussions and identify the relevant digital trade elements. This marks the EU and Singapore's shared vision of bringing their strong bilateral trade partnership into the digital future, building on the entry into force of the EU-Singapore Free Trade Agreement in 2019. This will further deepen digital ties and expand bilateral trade and investments, ensuring that workers and businesses, especially small and medium enterprises, benefit from opportunities in the growing global digital economy.

The joint announcement signals the EU's commitment to deepen digital cooperation with like-minded partners in the Indo-Pacific region, coming after the EU Indo-Pacific Strategy that states the EU's interest to explore the launch of negotiations on a Digital Partnership Agreement with Singapore. It also demonstrates Singapore's leadership in this dynamic area of trade policy, and underscores the strong interest of EU companies to participate in the large Southeast Asia digital economy, projected to be more than triple in value between 2020 and 2025. The EU and Singapore's efforts will contribute to region-to-region collaboration between the EU and ASEAN in this fast-growing area. The new engagement will also complement and support ongoing World Trade Organisation e-commerce negotiations that should set global rules on digital trade.

Strengthening their digital economy cooperation is a priority for both the EU and Singapore. Today, over 60% of global GDP is already digital, and both parties recognise that jobs and growth opportunities in the digital economy will become increasingly important in the future. To maximise the benefits of the digital economy for workers, businesses and societies, it is important to ensure the connectivity and interoperability of digital markets and policy frameworks, to lift barriers and facilitate digital trade, as well as to provide legal certainty for businesses and to protect consumers.

The Co-chairs reaffirmed the strong bilateral trade relations between the EU and Singapore. In 2020, annual bilateral trade in goods and services exceeded €100 billion in value. While international trade was hit hard by COVID-19, the EUSFTA provided businesses with predictability and certainty.

The Co-chairs also exchanged views on global and regional trade developments, as well as ways to strengthen the post-pandemic economic recovery. They reviewed the smooth EUSFTA implementation to date, including the successful early commencement of the Trade and

Sustainable Development Board meeting and issues such as labour and fundamental ILO conventions, as well as green economy cooperation. They acknowledged that three further European Geographical Indications – “Bardolino Superiore” wine, “Tiroler Speck” ham and “Saint-Emilion Grand Cru” wine have been registered in Singapore.

Finally, reflecting the strong cooperation between the EU and Singapore in the multilateral context, Executive Vice-President Dombrovskis and Minister Iswaran agreed to continue working together in bilateral and international fora in support of global efforts to tackle climate change and protect the environment.

Background

The EU-Singapore Free Trade Agreement entered into force on 21st November 2019. It is one of the first 'new generation' bilateral agreements. On top of the classical removal of customs duties and non-tariff barriers for trade in goods and services, it contains important provisions on intellectual property protection, investment liberalisation, public procurement, competition and sustainable development. The Agreement establishes the conditions for EU businesses to take full advantage of the opportunities created in Singapore as the business and transport hub of Southeast Asia. Likewise, the Agreement enhances access for Singapore companies to the 27 EU Member States and enables them to expand their reach in the EU.

The Indo-Pacific Strategy Joint Communication of 16th September 2021 gives a clear priority to cooperation on digital policy, including through digital partnership agreements with likeminded partners such as Japan, Korea and Singapore. Such agreements would expand the bilateral trade and investment relationship by enhancing cooperation on and interoperability of standards for emerging technologies, such as Artificial Intelligence, based on democratic principles and fundamental rights, building more resilient technology supply chains, supporting values-based innovation and facilitating business opportunities for start-ups and SMEs. It would enable deepened cooperation on data governance, trusted flows and data-based innovation.