

[FOR IMMEDIATE REPORTING]

CHINA AND SINGAPORE SIGN THE CHINA-SINGAPORE FREE TRADE AGREEMENT FURTHER UPGRADE PROTOCOL TO DEEPEN COOPERATION

1. At the 19th Joint Council for Bilateral Cooperation (JCBC) Meeting in Tianjin, China, today, China and Singapore announced the signing of the China-Singapore Free Trade Agreement (CSFTA) Further Upgrade Protocol by Minister for Trade and Industry Gan Kim Yong and PRC Minister of Commerce Wang Wentao.
2. The CSFTA is China's first comprehensive bilateral FTA with an Asian country. It entered into force in 2009 and was upgraded in 2019, with both countries agreeing to negotiate further investment liberalisation. Negotiations commenced at the 16th JCBC Meeting in 2020, and concluded in November 2023.
3. Under the Further Upgrade Protocol, Singapore will secure greater market access to China's services sectors. China commits to not limiting foreign equity limits for Singapore investors in 22 sectors such as construction, retailing & wholesale, and architectural & urban planning services. Singapore investors and service suppliers will also enjoy more liberal and transparent rules that level the playing field for them to invest in and trade with China. A new Telecommunications Services Chapter will also be established to provide clearer rules and enhanced transparency for telecommunications regulatory processes and for facilitation of industry collaboration for innovation and development. In 2021, China was Singapore's fourth largest trading partners in services while Singapore was China's third largest.
4. Minister Gan said, "The Further Upgrade Protocol will establish more business-friendly, liberal and transparent rules to promote greater trade and investment between Singapore and China. Singapore businesses will also benefit from improved access to the Chinese market in sectors of interest. I hope businesses will tap on this enhanced agreement to seize opportunities in China and I look forward to working more closely with my Chinese counterparts to enhance our cooperation in areas of mutual interest."

MINISTRY OF TRADE AND INDUSTRY

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Annex A: Photo

Annex B: Infographic on CSFTA Further Upgrade Protocol

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ANNEX A – Photo



Photo Caption: Minister for Trade and Industry Gan Kim Yong and PRC Minister of Commerce Wang Wentao sign the China-Singapore Free Trade Agreement Further Upgrade Protocol.

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ANNEX B – Infographic of CSFTA Further Upgrade Protocol

China-Singapore Free Trade Agreement (CSFTA) Further Upgrade Protocol



The CSFTA was China's first comprehensive bilateral FTA with an Asian country.



Negotiations on the Further Upgrade Protocol commenced in 2020 as part of a Work Programme in the 2019 Upgrade Protocol.



It is the cornerstone of bilateral economic relations between Singapore and China.



The Further Upgrade Protocol was signed in Dec 2023.



The CSFTA entered into force in 2009 and was last upgraded in 2019.



This is China's first FTA where commitments for Services and Investment are done through a negative list approach, where the commitments apply to all sectors except those specifically reserved.



Key Benefits of the Further Upgrade Protocol

Market Access

Singapore secured greater market access to China's services sectors.

Singapore investors in over 20 sectors will no longer be subjected to equity limits. These include:



Construction & Related Engineering Services



Retailing & Wholesale



Architectural & Urban Planning Services



Technical Testing and Analysis Services



Renting & Leasing

Rules

Singapore investors and service suppliers will enjoy more liberal and transparent rules that level the playing field for them to invest in and trade with China.

The **Investment Chapter** includes new rules that prohibit:



Nationality-based discrimination when an investor first enters a market



Performance requirements, e.g. local content requirement and technology transfer requirements



Nationality requirements on the appointment of Senior Management and Board of Directors



The **Services Chapter** incorporates new rules, such as prohibiting local presence requirement.



There is a new **Telecommunications Services Chapter** that provides clearer rules and enhanced transparency for telecommunications regulatory processes to facilitate industry collaboration for innovation and development.

Singapore-China Economic Relations



China has been Singapore's largest merchandise trading partner since 2013, making up 12.8% of Singapore's total merchandise trade with the world in 2022.



Singapore has been China's largest foreign investor since 2013, with China being Singapore's top investment destination since 2007.