

**For immediate reporting**

**SINGAPORE CONTINUES TO STRENGTHEN ECONOMIC TIES WITH LIKE-MINDED PARTNERS WITH THE ENTRY INTO FORCE OF THE UPGRADED ASEAN-AUSTRALIA-NEW ZEALAND FREE TRADE AREA AGREEMENT**

1. The Upgraded Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) will enter into force on 21 April 2025. The AANZFTA effectively establishes a free trade area of over 703 million people, with a combined GDP of more than USD 5.6 trillion. This upgrade reflects Parties' commitment to uphold an open, inclusive and rules-based multilateral trading system. They also ensure that the AANZFTA remains relevant and responsive to evolving global challenges.

2. The upgraded AANZFTA will create a conducive environment to enable businesses, in particular small and medium businesses, to better seize opportunities in Southeast Asia, Australia and New Zealand. Businesses will benefit from (a) more sourcing options and production efficiencies in meeting the Agreement's rules of origin; (b) time and cost efficiencies arising from streamlined processes for transit arrangements for consolidated shipments; (c) greater certainty on the flow of essential goods in times of crisis through expediting the movement, release and clearance of essential goods; (d) more transparent and business-friendly regulations in professional, education, financial and telecommunication services; (e) improved digital connectivity through alignment of digital trade standards and interoperability in e-invoicing; (f) better protection for businesses and consumers; (g) cooperation to catalyse green opportunities; and (h) improved dispute processes with better protection for consumers.

3. Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong said, "The entry into force of the upgraded AANZFTA today marks a significant milestone in strengthening our economic resilience and fostering deeper regional cooperation. Amidst the uncertainties in the global trade environment, this agreement is a bright spot demonstrating ASEAN, Australia and New Zealand's commitment to an open, inclusive and rules-based multilateral trading system. It underscores the enduring importance that we place on cooperation among ASEAN, Australia, and New Zealand in navigating an increasingly complex global landscape. We will continue to help our businesses manage disruptions and find new opportunities for growth, particularly our SMEs."

4. ASEAN, Australia and New Zealand share strong economic ties. In 2023, ASEAN's total two-way trade with Australia and New Zealand amounted to USD 138.4 billion. Meanwhile, Australia and New Zealand's Foreign Direct Investment into ASEAN was at USD 304.54 million.

5. Singapore companies that are interested in business opportunities in ASEAN, Australia and New Zealand can contact Enterprise Singapore at [www.go.gov.sg/fta-aanzfta](http://www.go.gov.sg/fta-aanzfta).

**Annex A: Key Features of the Upgraded AANZFTA**

**Annex B: Infographic on the Upgraded AANZFTA**

**Annex C: Company Quotes on the Upgraded AANZFTA's Entry into Force**

**MINISTRY OF TRADE AND INDUSTRY**  
**21 April 2025**

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For media queries, please contact:

Kok Yin Yin  
Communications and Engagement Division  
Ministry of Trade and Industry  
Email: [kok\\_yin\\_yin@mti.gov.sg](mailto:kok_yin_yin@mti.gov.sg)

**Annex A**

**Key Features of the Upgraded AANZFTA**

1. The Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) entered into force in 2010, establishing a free trade area of over 703 million people with a combined GDP of more than USD 5.6 trillion.
2. ASEAN, Australia and New Zealand share strong economic ties. In 2022, Australia and New Zealand were ASEAN's 6th largest trading partner amongst its Dialogue Partners, with merchandise trade amounting to USD 116 billion, a 24% increase from 2021. Meanwhile, Australia and New Zealand were ASEAN's 7th largest source of Foreign Direct Investment, at USD 2 billion in 2022, a rise of 430% from 2021.
3. The upgraded Agreement delivers forward-looking outcomes, with novel provisions beyond Singapore's and ASEAN's Free Trade Agreements (FTAs) in areas such as supply chain resilience for essential goods, simplified rules of origin, as well as Trade and Sustainable Development, which has a standalone chapter. Enhancements were also made in areas such as e-commerce, investment, services, consumer protection and government procurement. Collectively, these will create a conducive environment to enable businesses to better capture opportunities in the AANZFTA region.
4. Key features of the AANZFTA Upgrade are as follows:
  - a. **Promotes certainty in the supply of essential goods during future crises for businesses and consumers:** The upgraded AANZFTA contains commitments on facilitating the continued flows of essential goods during humanitarian crises, epidemics or pandemics. This means that AANZFTA countries will refrain from introducing restrictions on essential goods; expedite movement, release and clearance of essential goods; and can request of each other essential goods that are in shortage during crises. This helps business continuity as well as consumers who rely on the continued flows of essential products in their daily lives. This is a first for Singapore's and ASEAN's FTAs.
  - b. **Improves flexibility for businesses to tap on preferential market access with simplified Rules of Origin:** The Agreement will implement full cumulation amongst ready Parties. It will be easier for final products of businesses to qualify as originating and thus enjoy preferential tariff treatment. Businesses can also widen their access to source materials, gaining production efficiencies. The Upgraded AANZFTA is the first ASEAN FTA to operationalise full cumulation. In addition, the Upgraded AANZFTA introduces trade facilitative

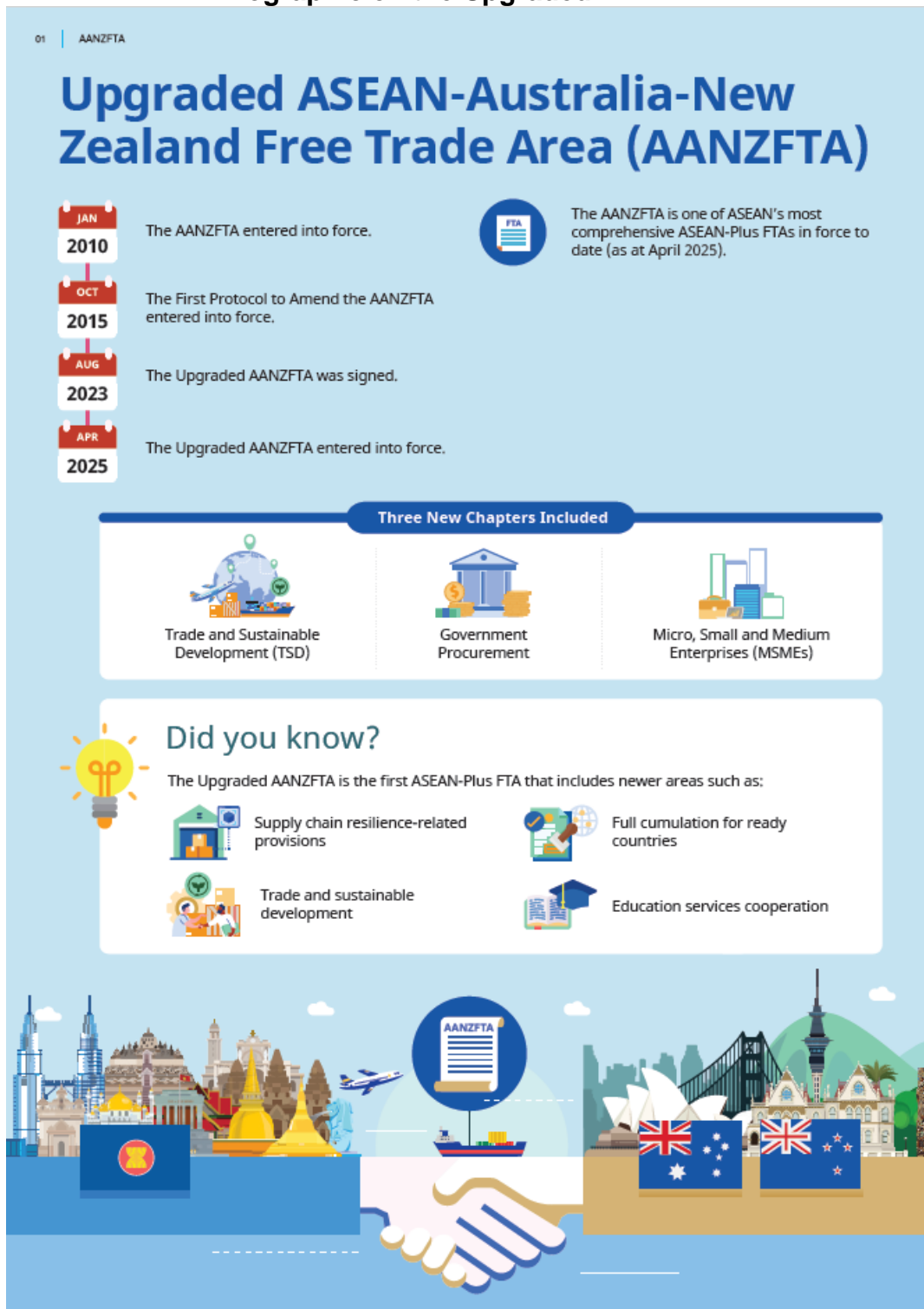
transit arrangements, such as streamlined processes to consolidate shipments, and for the first time for Singapore's FTAs, allows for the sterilisation of goods during transit.

- c. **Enhances collaboration in the Professional, Education, Telecommunications and Financial Services sectors**, for businesses to explore opportunities in AANZFTA markets with greater confidence:
- i. Building further from the Regional Comprehensive Economic Partnership (RCEP) Agreement, the two new annexes on Professional and Education Services will encourage deeper cooperation including through information exchange and standards setting. The Education Services Cooperation Annex is the first across ASEAN FTAs.
  - ii. The enhanced Financial Services Annex provides better protection for service providers involved in investment disputes such as the requirement for appointed arbitrators to have expertise or experience in financial services law or practice. The Annex is also improved to include articles on the development of efficient, safe and secure cross-border electronic payments, and obligations on new financial services and self-regulatory organisations.
  - iii. Meanwhile, the Telecommunication Services Annex has been improved to among others, safeguard the right to resale by telecommunications service providers to ensure quicker time to market by new entrants. In addition, telecommunications disputes resolution processes will now be made publicly available to help ensure that any disputes are promptly resolved. Services providers can also potentially benefit from clearer and more business-friendly domestic regulations.
- d. **Enhances the ease of doing business for companies engaging in e-commerce:** The Upgraded AANZFTA advances digital connectivity by fostering greater alignment of digital trade standards, promoting interoperability between different regimes such as in the area of e-invoicing, and encouraging transparency for the public to access and use government information and data. Enhanced application of dispute settlement could also pave the way for safer and more efficient digital transactions.
- e. **Provides greater transparency and certainty for investors:** The AANZFTA countries' respective investment regimes are more clearly set out through more transparent regulatory measures. Singapore investors will benefit from preferential treatment accorded by other AANZFTA Parties to other foreign

investors. They will also stand to enjoy treatment that is at least as favourable as treatment accorded to local investors in like circumstances.

- f. **Better protects businesses and consumers:** The upgraded AANZFTA protects all businesses, regardless of their size, from anti-competitive activity when operating in the region and facilitates cross-border enforcement cooperation among competition authorities. It is also the first FTA involving ASEAN that includes comprehensive coverage of consumer protection.
- g. **Increases certainty in the regulatory environment through a new Government Procurement chapter:** In providing services to Governments, businesses will have clearer and more transparent rules, regulations and procedures. Building on the RCEP Agreement, the Upgraded AANZFTA promotes environmentally sustainable procurement, the use of electronic means in procurement and integrity in procurement practices.
- h. **Facilitates cooperation, information sharing and capacity building to enhance cooperation on sustainable development:** The upgraded AANZFTA is the first ASEAN FTA to include a standalone Trade and Sustainable Development (TSD) chapter. This new chapter advances cooperation to catalyse green opportunities in support of Parties' transition into green economy.
- i. **Support for Micro, Small and Medium Enterprises (MSMEs) to enhance their capabilities:** This new chapter promotes collaboration between governments to enhance the capabilities of our MSMEs and improve the business environment for them. It promotes cooperation in areas including in the green economy and enhancing MSMEs' capacity to utilise FTAs.

## Infographic on the Upgraded AANZFTA



## Key Benefits Include:

### Trade in Goods



Greater certainty in the supply of essential goods during crises.

AANZFTA countries will refrain from introducing restrictions on essential goods. Expedited movement, release and clearance of essential goods during crises.

### Full Cumulation



Improved flexibility for businesses to tap on preferential market access.

When implemented, easier for final products of businesses to qualify as originating and thus enjoy preferential tariff treatment. Businesses can also widen their access to source materials, gaining production efficiencies.

### Trade in Services



Clearer and more business-friendly domestic regulations.



Benefit from improved commitments on resale and unbundling of network elements for telecommunication services providers.



Harness both new annexes on Education and Professional Services to explore opportunities in AANZFTA markets with greater confidence.



Investors involved in disputes relating to financial services will also have greater protection.

### E-Commerce



New areas of cooperation such as digital trade standards and e-invoicing.

Greater transparency of domestic regulations, interoperability of digital rules, and improved regulatory coherence.

### Investments



Transparent and more certain environment for investments, with regulatory measures set out more clearly.

Foreign investors will enjoy treatment that is at least as favourable as that accorded to local investors in like circumstances.

### Competition



First ASEAN-plus Agreement to include comprehensive coverage of consumer protection. Better protection from anti-competitive activity when operating in the region.

### Trade and Sustainable Development (TSD)



Improved access to green opportunities through cooperation, information sharing and capacity building amongst AANZFTA countries.

### Micro, Small and Medium Enterprises (MSMEs)



MSMEs can tap on opportunities through collaboration between governments to enhance their capabilities in supporting their green economy transition.

More information on the upgraded AANZFTA agreement is available at [www.go.gov.sg/fta-aanzfta](http://www.go.gov.sg/fta-aanzfta)

100 High Street, #09-01, The Treasury, Singapore 179434

[www.mti.gov.sg](http://www.mti.gov.sg)

MTI Singapore



**Annex C**

**Company Quotes on the Upgraded AANZFTA's Entry into Force**

Company and Sector	Quote and Spokesperson
<b>Hiin Asia</b>  <i>Asphalt and fuel trader</i>	<p>Hiin Asia Pacific Pte Ltd is a major Singapore company in asphalt trading and seaborne asphalt logistics, providing an integrated network for asphalt and fuel players. Beyond Singapore, Hiin exports their asphalt to Malaysia, Australia, Indonesia, and Vietnam.</p> <p><b>CK Lim, CEO of Hiin Asia Pacific</b>, said: <i>"The enhanced AANZFTA marks a significant step forward in fostering a more connected, resilient, and dynamic regional economy. For Hiin Asia Pacific, it unlocks strategic opportunities to strengthen supply chains and expand our value-added offerings in bitumen and maritime services across Australia and New Zealand — two key markets in our growth journey. As the global landscape continues to evolve, AANZFTA empowers businesses like ours to lead with agility, deepen cross-border collaboration, and deliver greater long-term value to our clients and partners."</i></p>
<b>Singapore Safety Glass</b>  <i>Glass Manufacturing</i>	<p>Incorporated in 1989, Singapore Safety Glass (SSG) is a glass fabricating company with a portfolio of more than 30 products and is involved in more than 1,300 projects in over 20 countries. Beyond Singapore, SSG exports its products to markets including Australia, New Zealand, and the US.</p> <p><b>Gan Geok Chua, Executive Director and Co-Founder of Singapore Safety Glass</b>, said <i>"SSG is benefitting from the current AANZFTA for the zero-duty rate, which has encouraged customers in Australia and New Zealand to buy from us. Once the upgraded AANZFTA enters in force, more companies can benefit similarly from the zero-rate when their products are able to qualify more easily for Singapore origin."</i></p>



Company and Sector	Quote and Spokesperson
<b>Tee Yih Jia</b>  <i>Food Manufacturing</i>	<p>Tee Yih Jia (TYJ) is one of Singapore's largest food manufacturers that specialises in manufacturing a wide range of Asian frozen convenience foods such as spring roll pastry, roti paratha, glutinous rice balls, dim sum, and ramen. The company's frozen food products are distributed to more than 80 countries worldwide.</p> <p><b>Priscilla Ng, Market Development Manager of TYJ</b>, said <i>"The ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) has allowed TYJ to offer more competitive pricing compared to regional competitors – particularly important in an era of rising production and logistics costs.</i></p> <p><i>With the AANZFTA upgrade focused on streamlining trade procedures, more companies can benefit even further from smoother cross-border trade and enhanced supply chain efficiency. This can also help TYJ in reinforcing its position as a leading innovator in frozen Asian cuisine."</i></p>