

**SINGAPORE AND THE EUROPEAN FREE TRADE ASSOCIATION SUCCESSFULLY CONCLUDE
NEGOTIATIONS ON A DIGITAL ECONOMY AGREEMENT**

1. Singapore and the European Free Trade Association (EFTA) States have successfully concluded negotiations on the EFTA-Singapore Digital Economy Agreement (ESDEA) on 10 July 2025.
2. The ESDEA establishes a robust and forward-looking framework for digital connectivity between Singapore and the EFTA States. It features high-standard rules and commitments designed to boost digital trade, enable open and secure cross-border data flows, and promote interoperability between our digital markets. This will provide greater legal certainty for our citizens and companies, and give them the confidence to seize new opportunities in the fast-growing digital economy.
3. Singapore and the EFTA States share strong bilateral economic relations underpinned by the EFTA-Singapore Free Trade Agreement, and the ESDEA extends our economic connectivity to the digital realm. It supports cross-border data flows, paperless trade, electronic payments and invoicing, which will enable more seamless and efficient transactions while reducing business costs. By establishing rules that protect intellectual property, safeguard personal data and combat fraudulent online conduct, the ESDEA will also facilitate a trusted and secure digital environment for businesses and consumers alike.
4. Singapore's Minister-in-Charge of Trade Relations Grace Fu said, "As like-minded and digitally progressive partners, Singapore and the EFTA States are committed to advancing digital trade, open and secure data flows, and trusted digital systems for businesses and consumers. The conclusion of negotiations on the EFTA-Singapore Digital Economy Agreement marks a significant milestone in our joint efforts to shape the future of digital trade. Through high-standard rules and commitments, the agreement will remove unnecessary barriers to digital trade and enhance economic connectivity with our EFTA partners. Singapore remains committed to advancing global digital trade frameworks and ensuring that our companies and citizens benefit from the opportunities of the digital economy."

Annex A: Factsheet on the EFTA–Singapore Digital Economy Agreement

**Annex B: Joint Communiqué from the European Free Trade Association and Singapore on
the Conclusion of Negotiations on the EFTA–Singapore Digital Economy Agreement**

Ministry of Trade and Industry, Singapore

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FACTSHEET ON THE EFTA–SINGAPORE DIGITAL ECONOMY AGREEMENT

The European Free Trade Association (EFTA)-Singapore DEA (ESDEA) is a legally binding agreement that will enhance the robust economic partnership between the EFTA States and Singapore by strengthening our digital and economic connectivity. The ESDEA will form an integral part of the EFTA-Singapore Free Trade Agreement (ESFTA) which entered into force in 2003. By providing a clear framework on the rules and standards for digital trade and cross-border data flows, the ESDEA will enable seamless and efficient cross-border digital transactions and establish a trusted environment for digital trade between both sides. This will give greater clarity and legal certainty for business and consumers alike, and unlock new opportunities in the digital economy for our companies and people.

Key features of the ESDEA

Enabling open and secure data flows

Cross-border Data Flows

- Data flows serve as the foundation for electronic commerce and other digitally enabled activities. Singapore and EFTA will allow the free flow of data across each other's territories with adequate safeguards, and prohibit requirements to store data in a specific location. Businesses will thus be able to choose where their data is stored, removing unnecessary barriers to digital trade.

Personal Data Protection

- To promote consumer trust in the digital economy, Singapore and EFTA will maintain a legal framework to protect the personal data of individuals, taking into account internationally established principles and guidelines. Both sides will also publish information on personal data protection rights accorded to individuals, including how individuals can seek remediation and how businesses can comply with legal requirements.

Open Government Data

- Public access and use of government data encourages economic and social development, competitiveness, productivity, and innovation. Singapore and EFTA will

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cooperate on best practices to enhance access to such data, with a view to support business and research opportunities for small and medium-sized enterprises (SMEs).

Advancing end-to-end digital trade

Electronic payments (E-payments)

- To support the development of efficient and secure cross-border e-payments, Singapore and EFTA will encourage the adoption of internationally accepted standards, promote interoperability between e-payment systems, as well as facilitate innovation and competition in the e-payment ecosystem.

Electronic invoicing (E-invoicing)

- Both sides recognise the role of e-invoicing in enhancing the cost-effectiveness, efficiency, accuracy, and reliability of digital trade. Singapore and EFTA will ensure that the implementation of measures on e-invoicing facilitates interoperability between both sides' e-invoicing systems to support cross-border transactions.

Paperless Trading

- To advance digitalisation and reduce the cost of business transactions, Singapore and EFTA will accept electronic versions of trade administration documents required for the import, export, or transit of goods, and make all trade administration documents available in electronic form.

Customs Duties

- To encourage and support cross-border digital transactions, Singapore and EFTA will not impose customs duties on electronic transmissions.

Fostering trust and security in the digital environment

Source Code and Cryptography Protection

- To promote greater trust and innovation within both sides' digital markets, Singapore and EFTA will not require the transfer of or access to source code or crypto keys as a condition of market access. This gives software developers certainty that source code and crypto keys developed and used by companies will be protected.

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Artificial Intelligence (AI)

- To harness the benefits of AI technologies in a responsible manner, Singapore and EFTA will promote the ethical, trusted and safe use of AI, guided by interoperable and internationally aligned governance frameworks.

Cybersecurity

- Both sides recognise the evolving nature of cybersecurity threats that could undermine confidence in digital trade. To mitigate these threats, Singapore and EFTA will collaborate to strengthen cybersecurity response mechanisms, and build the capabilities of our workforce in addressing cybersecurity risks.

Online Consumer Protection

- To safeguard consumer welfare, Singapore and EFTA will adopt or maintain measures which prohibit fraudulent, misleading, or deceptive commercial conduct harmful to consumers involved in electronic commerce.

Enhancing participation and access to opportunities in the Digital Economy

Digital participation of Small and Medium Sized Enterprises (SMEs)

- To enhance SMEs' access to trade and investment opportunities in the digital economy, Singapore and EFTA will cooperate to exchange information and best practices in leveraging digital tools and technology to encourage SME growth.

Digital Inclusion

- It is important that all people and businesses can participate in, contribute to, and benefit from the digital economy. To support digital inclusion, Singapore and EFTA will cooperate to reduce barriers to accessing digital trade opportunities, including by sharing best practices that promote inclusive participation in the digital economy.

**JOINT COMMUNIQUÉ FROM THE EUROPEAN FREE TRADE ASSOCIATION AND SINGAPORE
ON THE CONCLUSION OF NEGOTIATIONS ON THE EFTA–SINGAPORE DIGITAL ECONOMY
AGREEMENT**

The European Free Trade Association (EFTA) States and Singapore concluded negotiations on the EFTA–Singapore Digital Economy Agreement (DEA) on 10 July 2025.

The DEA establishes a framework for digital trade between our countries, with high-standard rules and commitments that seek to boost digital trade, enable open and secure data flows, and build trust in digital systems for businesses and consumers. This will provide our businesses and citizens with the certainty and confidence they need to access opportunities in the fast-growing digital economy.

To facilitate seamless cross-border digital trade, the DEA includes legally binding provisions which permanently prohibit customs duties on electronic transmissions, facilitate paperless trade administration, and support electronic payments and electronic invoicing. These provisions will enable more efficient transactions, while reducing costs for consumers and businesses. In addition, the DEA will ensure the free flow of data across borders with adequate safeguards. This will remove unnecessary barriers to trade by allowing businesses to choose where their data is stored, and providing certainty on conditions where data localisation is prohibited. To promote a trusted and secure digital environment, the DEA includes provisions on source code and cryptography that protect companies against forced transfers of technology, including intellectual property. The DEA also seeks to foster online consumer trust by upholding the protection of personal data and safeguarding online consumers from fraudulent and deceptive conduct. Finally, the DEA contains forward-looking provisions on cooperation in a wide range of areas including artificial intelligence, financial technology and cybersecurity.

The DEA will form an integral part of the EFTA–Singapore Free Trade Agreement that entered into force in 2003. It is a key initiative demonstrating the leading role of Singapore and the EFTA States in setting high-standard digital trade rules. The DEA also builds on and complements ongoing international efforts and agreements, including the WTO Joint Statement Initiative on E-Commerce. The EFTA States and Singapore will now work towards the signing of the DEA and its entry into force.

Negotiations on the DEA were launched in February 2023. Esther Hauert Wermuth, Head of the Trade in Services Division at the Swiss State Secretariat for Economic Affairs, acted as the EFTA spokesperson, while Lai Shu Ying and Chua Shun Loong, respectively the current and previous Directors of the Europe and Central Asia Division in Singapore’s Ministry of Trade and Industry, headed Singapore’s delegation.