

**SINGAPORE AND THE EUROPEAN FREE TRADE ASSOCIATION
STRENGTHEN ECONOMIC AND DIGITAL CONNECTIVITY WITH THE SIGNING
OF THE EUROPEAN FREE TRADE ASSOCIATION DIGITAL ECONOMY
AGREEMENT**

1. Singapore and the European Free Trade Association (EFTA) States signed the EFTA-Singapore Digital Economy Agreement (ESDEA) in Switzerland, represented by Minister-in-charge of Trade Relations Grace Fu, Swiss Federal Councillor and Head of the Federal Department of Economic Affairs, Education and Research Guy Parmelin, Iceland's Ambassador and Permanent Representative to EFTA, World Trade Organisation (WTO) and other International Organisations in Geneva Einar Gunnarsson, Liechtenstein's Ambassador and Permanent Representative to the United Nations (UN), WTO, EFTA and other International Organisations in Geneva Frank Büchel, and Norwegian Ambassador to Switzerland Kjersti Rødsmoen. This comes after Singapore and EFTA announced the conclusion of negotiations on 10 July 2025.

2. The ESDEA will boost connectivity between Singapore and the EFTA States' digital markets, and establish a robust framework to advance end-to-end digital trade between both sides. Notably, the ESDEA provides businesses with greater assurance that data will be able to flow securely and seamlessly across borders, including for the financial services sector which Singapore and the EFTA States cooperate closely in. Through high-standard rules that promote interoperable digital systems in areas such as paperless trade and electronic invoicing, the ESDEA also fosters a trusted digital environment and gives businesses and people confidence to participate in the digital economy.

3. Minister-in-charge of Trade Relations Grace Fu said, "The signing of the ESDEA marks an important milestone in expanding our bilateral trade into the digital realm. By facilitating open and secure cross-border data flows, the Agreement will provide businesses with greater flexibility and certainty in digital trade, while enhancing the protection of consumers engaged in e-commerce. As we navigate the changing economic order, it is important for like-minded partners to cooperate and seize new opportunities in the digital economy."

4. Singapore and the EFTA States share strong trade and investment relations, underpinned by the EFTA-Singapore Free Trade Agreement (ESFTA) which entered into force in 2003. In 2023, bilateral services trade between Singapore and the EFTA States exceeded S\$30 billion, of which almost half could have been digitally delivered. Financial services data flows accounted for approximately 20% of such digitally delivered services. When implemented, the ESDEA will remove unnecessary barriers to digital trade and deepen Singapore and the EFTA States' economic connectivity in the digital domain, for the benefit of our businesses and people.

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Annex A: Photo of the ESDEA Signing Ceremony

Annex B: Factsheet on the ESDEA

Annex C: Joint Communiqué from the European Free Trade Association and Singapore on the Signing of the EFTA-Singapore Digital Economy Agreement

Annex D: Infographic on the ESDEA

Annex E: Remarks by Minister-in-charge of Trade Relations Grace Fu at the ESDEA Signing Ceremony

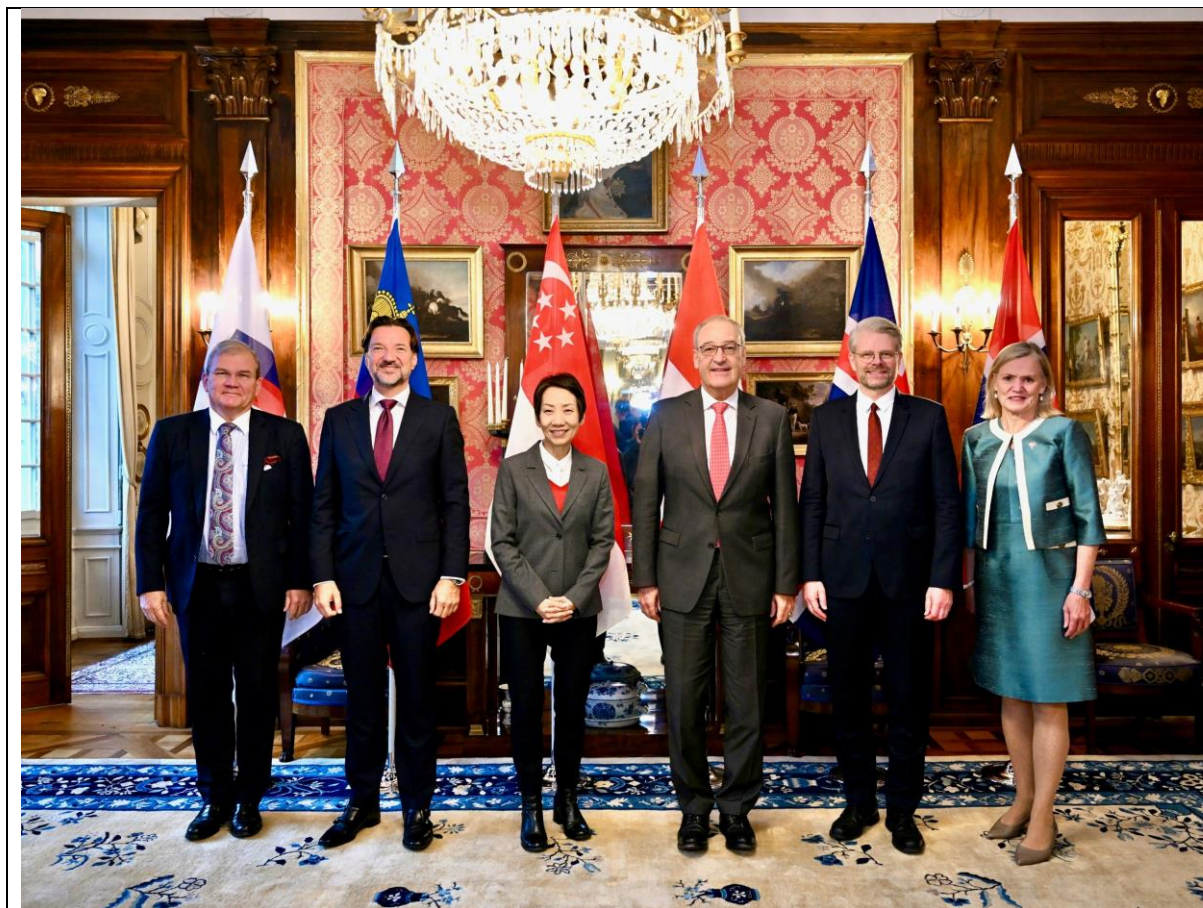
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PHOTO OF THE ESDEA SIGNING CEREMONY



Caption (*from left to right*): EFTA Secretary-General Kurt Jäger; Liechtenstein's Ambassador and Permanent Representative to the UN, WTO, EFTA and other International Organisations in Geneva Frank Büchel; Minister-in-charge of Trade Relations Grace Fu; Swiss Federal Councillor and Head of the Federal Department of Economic Affairs, Education and Research Guy Parmelin; Iceland's Ambassador and Permanent Representative to EFTA, WTO and other International Organisations in Geneva Einar Gunnarsson; and Norwegian Ambassador to Switzerland Kjersti Rødsmoen

FACTSHEET ON THE ESDEA

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 commit that they will not adopt a specified set of measures that prohibit or restrict the cross-border transfer of data, including requirements to store data in specified locations. Businesses, including financial institutions, 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 can encourage economic and social development, competitiveness, productivity, and innovation. Singapore and EFTA will endeavour to cooperate on best practices to enhance access to such

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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 foster greater trust and innovation amongst businesses operating in their 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 and adoption 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 SIGNING OF THE EFTA-SINGAPORE DIGITAL
ECONOMY AGREEMENT**

On 25 September 2025, the European Free Trade Association (EFTA) States and Singapore signed the EFTA–Singapore Digital Economy Agreement (DEA) in Bern, Switzerland. The DEA will strengthen digital connectivity between our countries and facilitate seamless digital trade between businesses on both sides. It underscores the strategic importance of the digital economy as a key driver of economic growth, and will allow businesses, including small and medium-sized enterprises, to benefit from new opportunities in the fast-evolving digital landscape.

The DEA builds on the EFTA–Singapore Free Trade Agreement, which entered into force in 2003, and marks a significant milestone in the strong and longstanding economic relationship between the EFTA States and Singapore. It reflects our shared commitment to enabling open and secure data flows across borders, and to promoting a trusted digital environment for citizens and businesses alike. The DEA further demonstrates the EFTA States and Singapore’s like-minded partnership in establishing high-standard rules for digital trade, which will give our citizens and businesses greater legal clarity and confidence to transact and participate in the digital economy.

At the signing ceremony, Federal Councillor and Vice President of the Swiss Confederation Guy Parmelin thanked all parties for making the signing of the DEA possible, and said:

“The DEA establishes clear and predictable rules for digital trade between the EFTA States and Singapore. It responds to the needs of the digital economy and will provide value added for our citizens, consumers and businesses. It is also a signal for cooperation in the presently challenging international trade landscape.”

Singapore’s Minister-in-charge of Trade Relations Grace Fu said:

“The signing of the EFTA-Singapore DEA marks an important milestone in expanding our bilateral trade into the digital realm. By facilitating open and secure cross-border data flows, the Agreement will provide businesses with greater flexibility and certainty in digital trade, while enhancing the protection of consumers engaged in e-commerce. As we navigate the changing economic order, it is important for like-minded partners to cooperate and seize new opportunities in the digital economy.”

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The EFTA States and Singapore will now work towards the ratification and entry into force of the Agreement, to allow our citizens and businesses to reap the benefits of the DEA.

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Annex D: INFOGRAPHIC ON THE ESDEA



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**REMARKS BY MINISTER-IN-CHARGE OF TRADE RELATIONS GRACE FU
AT THE ESDEA SIGNING CEREMONY**

1 Good evening to Swiss Federal Councillor Guy Parmelin, Iceland Ambassador to EFTA Einar Gunnarsson, Liechtenstein Ambassador to EFTA Frank Büchel, Norwegian Ambassador to Switzerland Kjersti Rødsmoen, EFTA Secretary General Kurt Jäger, ladies and gentlemen.

2 It is my pleasure to be here in Switzerland for the signing of the EFTA-Singapore Digital Economy Agreement (ESDEA) today. I would like to thank the EFTA States for the warm welcome and hospitality.

3 Singapore and the EFTA States share a longstanding economic partnership anchored by the EFTA-Singapore Free Trade Agreement (ESFTA), which entered into force in 2003 and was one of Singapore's earliest free trade agreements. Over the past two decades, this agreement has underpinned steady growth in trade and investment flows between our countries.

4 In 2023, total services trade between Singapore and the EFTA States surpassed S\$30 billion and continues to be on an upward trajectory. Almost half of this trade was estimated to have been delivered digitally, underscoring how digitalisation is growing our economic ties. Notably, financial services data flows accounted for approximately 20% of such digitally delivered services, which is testament to the financial services hub status we play in our respective regions.

5 It is therefore timely that Singapore and the EFTA States are deepening our economic cooperation in the digital realm through the ESDEA.

6 When implemented, the ESDEA will enhance the connectivity of our digital markets, enable seamless and trusted cross-border digital transactions, and give businesses and consumers greater confidence to participate in the digital economy. Given the strong flows of financial services trade between Singapore and the EFTA States, financial institutions will also have greater assurance that financial services data will be able to flow smoothly between our countries with the necessary safeguards.

7 By aligning rules and standards with like-minded partners on issues such as secure data flows, cybersecurity, artificial intelligence and e-payments, we are preventing fragmentation and building an open, secure and inclusive digital trade environment.

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8 The ESDEA reflects our shared commitment to shape global digital rules, foster innovation, and ensure that our people and businesses, including small and medium-sized enterprises, can benefit fully from the opportunities of the digital age.

9 Singapore looks forward to working closely with the EFTA States on the ratification and implementation of the ESDEA. Beyond this agreement, we are committed to deepening our partnership with the EFTA States in new frontiers of the digital economy, to build a more connected, innovative and resilient future for our businesses and people. Thank you.

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