

# Agreement with Singapore set to give a boost to EU-Asia trade

**This marks an important step towards their entry into force, boosting the EU economic relations and cooperation with Singapore and leading to an increased presence in the fast-growing Southeast Asian region.**

President of the European Commission Jean-Claude **Juncker** said: *“The European Parliament’s approval of the EU-Singapore trade and investment agreements marks a historical moment. This is the European Union’s first bilateral trade agreement with a Southeast Asian country, a building block towards a closer relationship between Europe and one of the most dynamic regions in the world. We are forging closer economic and political ties with friends and partners who, like us, believe in open, reciprocal and rules-based trade. This is yet another win-win trade agreement negotiated by the European Union, an agreement that will create new opportunities for European producers, workers, farmers and consumers, while at the same time promoting cooperation and multilateralism.”*

Commissioner for Trade Cecilia **Malmström** said: *“In uncertain times, we need agreements like these more than ever. They will help Europe and Singapore to prosper, boosting our trade and strengthening an already essential relationship. The agreements will benefit workers and farmers, as well as small and big companies on both sides. They include a strong commitment to human and labour rights and to protecting the environment. This is yet another signal that open, fair and rules-based global trade is here to stay.”*

Singapore is by far the EU’s largest trading partner in the Southeast Asian region, with a total bilateral trade in goods of over €53 billion and €51 billion-worth of trade in services. Over 10,000 EU companies are established in Singapore and use it as a hub to serve the whole Pacific region. Singapore is also the number one location for European investment in Asia, with investment between the two growing rapidly in recent years: combined bilateral investment stocks reached €344 billion in 2017.

Under the **trade agreement**, Singapore will remove all remaining tariffs on EU products and will commit to keep unchanged the current duty-free access for all other EU products. The agreement also provides new opportunities for EU services’ providers, among others in sectors such as telecommunications, environmental services, engineering, computing and maritime transport. It will also make the business environment more predictable. Singapore also agreed to remove obstacles to trade besides tariffs in key sectors, for instance by recognising the EU’s safety tests for cars and many electronic appliances or accepting labels that EU companies use for textiles.

The **investment protection agreement** will ensure a high level of investment protection, while safeguarding the EU’s and Singapore’s rights to regulate and pursue public policy objectives such as the protection of public health, safety and the environment. The agreement will replace 12 bilateral

investment treaties existing between EU Members and Singapore putting in place a modern common investment protection framework with a well-balanced Investment Court System for resolving investment disputes.

With both agreements, the EU has made an important stride towards setting high standards and rules for its trade and investments with the fast-growing Southeast Asian region. The agreements offer huge economic opportunities, while fully safeguarding public services and parties' right to regulate. The trade agreement also includes a comprehensive chapter on trade and sustainable development that sets the highest standards of labour, safety, environmental and consumer protection for trade and investment between the parties; as well as strengthening joint actions on sustainable development and climate change.

### **Partnership and Cooperation Agreement**

EU High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission, Federica **Mogherini**, said: *"Today's overwhelmingly positive vote in the European Parliament is good news for strengthening our relations with Singapore. In today's world you need like-minded partners and friends. Our new agreement will allow us to build on what we have already and to do more together to achieve our common goals, both on the bilateral agenda and in tackling global challenges."*

The Partnership and Cooperation Agreement reinforces the existing relationship between the European Union and Singapore and builds on a shared commitment towards multilateralism and international rules-based order. This Agreement will provide the basis for more effective bilateral engagement between the EU and its Member States and Singapore by strengthening political dialogue and enhancing cooperation in a broad range of areas including sustainable development, democracy and fundamental freedoms, justice, security, connectivity, people-to-people links, information society, education and cultural exchanges as well as employment and social affairs. It will enable us to step up scientific and technological cooperation in fields such as energy, environment, fight against climate change, protection of natural resources, smart cities and transport. It will enhance cooperation on global challenges, where both Singapore and the EU play an increasingly important role, and will help address them in a more coherent way.

Negotiations for the Partnership and Cooperation Agreement started in 2005, and the High Representative/Vice-President Federica **Mogherini** and her counterpart, the Minister of Foreign Affairs of Singapore, Vivian Balakrishnan, [signed the agreement in the margins of the ASEM Summit on 19 October 2018](#). The Partnership and Cooperation Agreement will need to be ratified by all EU Member States before it enters into force.

### **Next steps**

The EU and Singapore signed the trade and investment agreements on 19 October 2018. Following today's vote, the trade agreement could then enter into force once Singapore concludes its own internal procedures and both sides complete the final formalities. The investment protection agreement will further need

to be ratified by all EU Member States according to their own national procedures before it can enter into force.

Once in place, the agreements will be the first building block of a future region-to-region trade and investment agreement between the EU and entire ASEAN region.

### **For More Information**

[MEMO: Key elements of the EU-Singapore trade and investment agreements](#)

[Thematic factsheets](#)

[Map of EU companies doing business with Singapore](#)

Impact of the agreement for each Member State: [Austria](#), [Belgium](#), [Bulgaria](#), [Croatia](#), [Cyprus](#), [Czechia](#), [Denmark](#), [Estonia](#), [Finland](#), [France](#), [Germany](#), [Greece](#), [Hungary](#), [Ireland](#), [Italy](#), [Latvia](#), [Lithuania](#), [Luxembourg](#), [Malta](#), [Netherlands](#), [Poland](#), [Portugal](#), [Romania](#), [Slovakia](#), [Slovenia](#), [Spain](#), [Sweden](#), [United Kingdom](#)

[Exporters' stories](#)

[Texts of the trade and investment agreements](#)

[More resources on the EU-Singapore agreements](#)

[EU Delegation to Singapore website](#)

[EU-ASEAN relations factsheet](#)