

Joint statement by the UK and Singapore

News story

Joint Ministerial Statement by the Republic of Singapore and the United Kingdom (UK) on the signing of the UK-Singapore Free Trade Agreement and negotiations on a UK-Singapore Digital Economy Agreement



The UK and Singapore are pleased to announce today the signing of the UK-Singapore Free Trade Agreement (FTA). Both countries also agreed to start scoping the modules of a UK-Singapore Digital Economy Agreement (DEA), with the aim of launching negotiations on the DEA in early Spring 2021.

1. The UK and Singapore are like-minded partners with shared historical ties and excellent economic relations. Singapore is the UK's largest trade and investment partner from ASEAN, while the UK is amongst Singapore's top three European trading partners and Singapore's top investment destination in Europe. As island trading nations, both countries share a strategic commitment to global trade, and the free flow of capital and investments. We enjoy broad-based collaboration in areas such as science and technology, climate and sustainability, defence, education and culture.
2. The UK-Singapore FTA will take our excellent economic relations further. It will cover more than £17 billion of bilateral trade in goods and services. Companies will continue to benefit from tariff elimination for goods trade, increased access to our respective services and government procurement markets, and reduction of non-tariff barriers in key sectors such as electronics, motor vehicles and vehicle parts, pharmaceutical products and medical devices, and renewable energy generation.
3. In particular, the UK and Singapore have committed to maintain the same timeline for tariff reductions as compared to the EU-Singapore FTA. Upon the UK-Singapore FTA's entry into force, tariffs will remain eliminated

for 84% of all tariff lines for Singapore exports to the UK. Singapore Asian food products such as har gow (prawn dumplings) and sambal ikan bilis (spicy crispy anchovies) will continue to enter the UK tariff-free under flexible rules of origin, up to a combined quota of 350 tonnes annually. Singapore will also continue to bind our current level of duty-free access for all UK products entering Singapore, and maintain protections on iconic UK goods such as Scotch Whisky.

4. The UK-Singapore FTA will support financial services trade and investment in both countries, and provide opportunities for existing UK Qualifying Full Banks (QFBs) in Singapore to expand their footprint, including through additional customer service locations. Both countries will continue to discuss strengthening their financial and economic cooperation and building links between their financial markets, including through the annual UK-Singapore Financial Dialogue.
5. Beyond the UK-Singapore FTA, the UK and Singapore have committed to commence and endeavour to conclude negotiations to deliver updated, high standard and ambitious investment protection commitments within two years and four years respectively of the UK-Singapore FTA's entry into force.
6. Both countries also plan to strengthen our trading relationship further. We will start scoping the modules of a UK-Singapore DEA, with the aim of launching negotiations in early Spring 2021 on a DEA that aspires to be a model for international digital trade rules and cooperation. It is the shared desire of both countries, as forward-looking and digitally advanced economies, to explore emerging and innovative areas in digital trade.
7. Under the DEA, the UK and Singapore will aim to ensure an open, thriving, and safe digital environment for our consumers and businesses. The agreement will promote the flow of data across borders while maintaining high levels of personal data protection. It will also promote interoperable digital systems to connect our thriving innovation ecosystems, harness the interaction between financial services and the digital economy, and help shape global standards for effective regulation in key areas such as cyber security and emerging technology. The DEA will also form a strong basis for our cooperation in the WTO and other multilateral fora in pursuing a likeminded approach to global trade rules.
8. The signing of the UK-Singapore FTA serves as a significant step in the UK's interest to seek membership of the Comprehensive and Progressive Agreement on Trans-Pacific Partnership (CPTPP). Singapore supports and welcomes the UK's intent to submit its application to accede to the CPTPP in early 2021. This will bring us closer to the CPTPP's vision of advancing economic integration and supporting the liberalisation of

trade and investment globally. As vice-chair of the CPTPP Commission, Singapore will work with the chair and other CPTPP members to form an Accession Working Group for the UK as expeditiously as possible.

9. As we approach the second anniversary of our Singapore-UK Partnership for the Future, we are confident that the UK-Singapore FTA and UK-Singapore DEA, and the UK's accession to CPTPP, will deepen the foundation for the UK and Singapore to take our strong and modern economic partnership into the 21st century.

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