

UK and Singapore sign new innovative digital trade deal

- International Trade Secretary lands in Singapore to sign groundbreaking digital trade deal and strengthen trade ties.
- New Digital Economy Agreement will cut costs, slash red tape and pave the way for new era of modern trade.
- Far-reaching deal will set standard for modern trade rules, helping the UK Build Back Better from the Covid pandemic.

The International Trade Secretary today joined her counterpart in Singapore to sign a trade deal that will help businesses seize new opportunities and lay the ground rules for modern global trade.

Secretary of State Anne-Marie Trevelyan signed the [UK-Singapore Digital Economy Agreement \(DEA\)](#) alongside Singapore's Minister-in-charge of Trade Relations, S. Iswaran, on the final day of her Asia-Pacific tour, following visits to Indonesia and Japan.

The DEA is the most innovative trade agreement ever signed, and the first by a European nation. It will strengthen our trading relationship with Singapore – worth £16 billion in 2020 – by ending outdated rules that affect both goods and services exporters, making it easier for UK business to target new opportunities in both Singapore and the wider region.

International Trade Secretary Anne-Marie Trevelyan said:

This digital agreement plays to our strengths as a services superpower and will ensure our brilliant businesses can build back better from the pandemic and benefit from easier, quicker and more trusted access to the lucrative Singapore market.

We're using our independent trade policy to strike these groundbreaking agreements that create high-skilled, well-paid jobs across the UK – paving the way for a new era of modern trade.

The deal links two of the world's most dynamic hi-tech and services hubs and will capitalise on the UK's strength as the world's second-largest services exporter. A third of our exports to Singapore are already digitally delivered, including in finance, advertising and engineering, and this deal will create new opportunities to expand modern services and help level up the country.

The digital sector alone adds £151 billion to the economy and lifts wages, with workers earning around 50% more than the UK average. UK services companies already operating in Singapore are well placed to take advantage of the deal, including financial giants, telecoms firms or software companies.

The deal will also cut red tape for goods exporters, streamlining cumbersome border processes and replacing time-consuming and costly paperwork with e-signatures and e-contracts.

Other benefits include:

- Free and trusted cross-border data flows. Data flows are vital for the modern global economy, enabling everything from more efficient manufacturing and supply chains to effective maintenance of jet engines.
- Binding commitments that ensure individuals and businesses know their data, money and intellectual property are safe.
- Strengthening the UK and Singapore's relationship for financial services by ensuring data can flow freely without unjustified barriers and enhanced cooperation for innovative financial services. Financial Services trade between the UK and Singapore was worth £1.7bn in 2020.
- A new partnership with Singapore to build ever-stronger cybersecurity defences against attacks by private operators or hostile states, which are a growing threat to individuals and businesses.

Singapore is a gateway to the wider Indo-Pacific region and the DEA will support our bid to join Singapore and 10 other nations in the Trans-Pacific Partnership (CPTPP). Membership would mean access to a £8.4 trillion free trade area with vast opportunities for UK business.

UK-founded tech unicorns are being created at a rate of almost one a week, and more will now be able to follow in the footsteps of British companies which are already thriving in Singapore.

In addition to signing the Digital Economy Agreement, the UK and Singapore also agreed to revitalise the existing FinTech Bridge, a move that will support innovative financial services and strengthen cooperation on emerging technologies.

An enhanced FinTech bridge will help provide extra support for UK and Singaporean firms and investors expand into each other's markets, so both countries can capitalise on opportunities in our advanced FinTech sectors.

The ministers also held the first meeting of the Trade Committee for the UK-Singapore Free Trade Agreement, where they agreed to deepen cooperation on the green economy, including working together to support the net zero transition in the wider Indo-Pacific region, and strengthen the important bilateral investment relationship between the two countries.

Discussions will begin this year to explore opportunities to deepen our obligations on investment protection with formal discussions expected to

begin in the next year.

The Economic Secretary to the Treasury, John Glen, said:

The signing of the UK-Singapore DEA signifies the importance of innovative financial services trade between our two global financial centres and sets a new standard for cooperation through our commitment to revitalise the existing UK-Singapore FinTech Bridge, providing an opportunity to strengthen business support and deepen trade between our markets.

The agreements announced today build on ground-breaking Digital Trade Principles agreed by G7 countries under the UK's Presidency and is the UK's latest achievement as a pioneer in digital trade.

The UK has already negotiated ambitious digital provisions in its trade agreements with Japan, Australia and New Zealand, and will be pursuing advanced digital chapters in negotiations with Israel, Canada and Mexico this year.