

Trade and investment agreements with Singapore

The trade and investment agreements with Singapore, the EU's largest commercial partner in the region, are the first between the EU and a member state of the Association of Southeast Asian Nations (ASEAN). The EU views bilateral agreements with ASEAN countries as steps towards the final objective of a region-to-region trade and investment agreement with ASEAN. The European Parliament is due to vote on giving its consent to the conclusion of the agreements with Singapore during the February plenary session.

Background

[Launched](#) in 2010, talks on an EU-Singapore free trade agreement (EUSFTA) were completed in 2014. However, negotiations had ended prior to the decision on the EU's updated approach on [investment protection](#). In addition, in 2015 the Commission [sought an opinion](#) from the Court of Justice of the EU (CJEU) on the [competence for conclusion](#) of the EUSFTA. To take into account both the EU's new investment approach and the [CJEU opinion](#) of May 2017, talks between the parties led to the splitting of the EUSFTA into two agreements. In April 2018, the Commission [proposed](#) to the Council the signature and conclusion of a trade agreement and an investment protection agreement. Both [were signed](#) on 19 October 2018.

The EU-Singapore Free Trade Agreement (FTA)

The [FTA](#) deals with trade and foreign direct investment liberalisation. It includes only provisions under the exclusive competence of the EU, and can be concluded by the EU on its own. The FTA [will remove](#) virtually all tariffs and a number of non-tariff barriers, facilitating EU exports of goods such as electronics and food products. It will also protect around 190 certified EU agricultural products from imitation. EU services providers will get better market access in Singapore in sectors such as telecommunications, and EU bidders will benefit from new public tendering opportunities. The FTA includes a trade and sustainable development chapter, and facilitates trade in equipment for renewable energy generation.

The EU-Singapore Investment Protection Agreement (IPA)

The IPA [will replace](#) 12 existing bilateral investment agreements between Singapore and EU Member States, and will also cover the aspects of the EU's new investment approach not included in these deals. The agreement, which includes a new investment court system (ICS), offers a high level of investment protection, while preserving the parties' right to regulate in the interest of the public. As the IPA falls under shared competence, it must be ratified by both the EU and its Member States, following their national procedures.

European Parliament position

On 24 January 2019, the European Parliament's Committee on International Trade (INTA) adopted two recommendations on giving consent to the draft Council decisions on the conclusion of the [FTA](#) and of the [IPA](#). The recommendations will now be considered in plenary in February, along with a recommendation from the Foreign Affairs Committee on the [Partnership and Cooperation Agreement](#) with Singapore.

Consent procedure: Committee responsible: INTA; Rapporteur: David Martin (S&D, United Kingdom);
FTA [2018/0093\(NLE\)](#); IPA [2018/0095\(NLE\)](#).

For further information see our 'International Agreements in Progress' [briefing](#) on the agreements with Singapore.

