EU/Singapore Free Trade Agreement

2018/0093M(NLE) - 29/01/2019 - Committee report tabled for plenary, single reading

The Committee on International Trade adopted the report by David MARTIN (S&D, UK) containing a motion for a non-legislative resolution on the draft Council decision on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore.

This is the first bilateral trade agreement concluded between the EU and an ASEAN member state and an important stepping stone towards the final objective of a region-to-region free trade agreement (FTA).

Within the ASEAN region, Singapore is by far the EU's largest partner, with EU-Singapore trade worth more than EUR 50 billion annually. More than 10 000 European companies have their regional offices in Singapore.

Members welcomed the signing of the FTA on 19 October 2018 after a long delay in bringing forward the agreement for ratification. They also welcomed Singapore's continued engagement despite this delay and called for the swift entry into force of the agreement once it has been ratified by Parliament.

The report noted that Singapore had already removed most of its tariffs on EU products and that this agreement will eliminate the few remaining ones completely as of its entry into force. Singapore will remove certain measures that may constitute barriers to trade, such as double safety tests in cars and car parts and electronics, which will simplify the export of goods by EU businesses to Singapore.

The FTA will grant EU companies better access to the Singapore services market such as in financial, telecommunications, engineering, architectural, maritime transport and postal services, and that such liberalisation follows a 'positive list' approach.

Members welcomed the fact that Singapore agreed to set up a GI registration system which will protect around 190 EU geographical indications, with the possibility of adding more at a later stage.

They stressed that the agreement safeguards the EU's right to maintain and apply its own standards to all goods and services sold in the EU and therefore that all imports from Singapore must respect EU standards. EU standards should never be considered as trade barriers and the importance of promoting these standards at global level is stressed.

The importance of a value-based and responsible trade policy and the need to promote sustainable development was also stressed by Members.

Lastly, the Commission was called on to make good use of the general review clause of the agreement as soon as possible in order to strengthen the enforceability of labour and environmental provisions, including among the various enforcement methods consideration of a sanctions-based mechanism as a last resort.