EU/Singapore Free Trade Agreement

2018/0093M(NLE) - 13/02/2019 - Text adopted by Parliament, single reading

The European Parliament adopted by 431 votes to 189, with 52 abstentions, 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.

According to the economic impact analysis of the EU-Singapore FTA conducted by the European Commission in 2013, Singapore's GDP could increase by 0.94%, or EUR 2.7 billion, and the EU's GDP by EUR 550 million.

Parliament stressed the economic and strategic importance of the agreement signed on 19 October 2018 and highlighted the following points:

- 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;

- the agreement shall ensure better market access under this agreement to Singapore's public procurement market as compared to under the Government Procurement Agreement (GPA), social and environmental criteria should also be taken into account when awarding public procurement contracts;

- 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;

- Singapore's commitment is to keep zero duties on agri-food products, and the putting in place of a system for certifying EU meat-producing establishments seeking to export to Singapore;

- the agreement recognises the right of Member States at all levels to define and provide public services and does not prevent governments from bringing any privatised service back into the public sector;

- 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.

Parliament stressed the importance of a value-based and responsible trade policy and the need to promote sustainable development. Singapore is called on to further engage with the ILO with a view to progressing towards full alignment with their content and ultimately pursuing their ratification within a reasonable timeframe.

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.