EU/Singapore Free Trade Agreement

2018/0093(NLE) - 14/11/2019 - Final act

PURPOSE: conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore.

NON-LEGISLATIVE ACT: Council Decision (EU) 2019/1875 on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore.

CONTENT: the Council decided to approve, on behalf of the Union, the Free Trade Agreement signed on 19 October 2018 between the European Union and Singapore.

The objectives of the agreement are to liberalise and facilitate trade and investment between the parties. It sets out the conditions under which EU economic operators can take full advantage of the opportunities offered by Singapore, the hub of economic activity and transport in South East Asia.

Considering that Singapore has already removed almost all of its tariffs on EU products which the agreement will eliminate completely, the main elements of the FTA are:

Elimination of many non-tariff barriers

In particular, Singapore shall recognise the Union's safety tests for passenger cars and car parts, as well as for certain electronic components, including household appliances or adapters. Similarly, the Union's labels and markings for clothing and textiles shall also be recognised.

Geographical Indications (GI)

Singapore shall protect about 190 GIs concerning EU food and beverage producers. Singapore is the fifth largest market in Asia for European food and beverages, with annual exports of about EUR 2 billion.

Public procurement

The Union will benefit from increased access to goods and services provided to the Government of Singapore in relation to the Agreement on Government Procurement. This market amounts to EUR 20 billion per year.

Trade in services

Liberalisation covers in particular financial, postal and mail services, telecommunications, transport and information technology. The agreement also provides a framework for the mutual recognition of the professions of architect, lawyer and engineer, among others. The agreement protects the right of EU Member States' authorities to define, provide and regulate public services at all levels and does not prevent governments from bringing any privatised services back into the public sector.

Sustainable development

The agreement obliges the parties to implement in a concrete way the fundamental conventions related to workers' rights, the Paris Agreement on Climate Change and Sustainable Forest and Fisheries Management. The EU and Singapore have agreed to promote initiatives on corporate social responsibility, eco-labelling and fair trade, among others.

In the event of non-compliance with these provisions, the agreement provides for a dispute settlement mechanism involving governments, a jury of independent experts and civil society groups. The agreement provides in particular for the creation of internal advisory groups, composed of trade union organisations, environmental groups and professional associations, which may make recommendations to the parties on the implementation of these provisions.

Safeguards

The agreement not only preserves the Union's right to apply its own standards to all goods and services sold in Europe, but also the right to regulate the protection of workers and the environment, as well as to adopt stricter standards in these sectors. It also retains the Union's precautionary principle.

Institutional arrangements

The Commission is authorised to approve the amendments to be adopted by the Trade Committee under Article 9.18 (Modification and rectification of coverage) as regards Annexes 9-A to 9-I to the Agreement, after consultation with the special committee appointed by the Council in accordance with Article 207(3) of the Treaty.

For the purposes of Articles 10.17 (System for the Protection of Geographical Indications) and 10.18 (Amendment of the List of Geographical Indications) of the Agreement, the Union's position on the amendments to Annexes 10-A and 10-B to the Agreement shall be approved by the Commission.

ENTRY INTO FORCE: 8.11.2019.